

Also, petition of D. C. Webb, judge of juvenile court, Knoxville, Tenn., favoring the Federal probation bill; to the Committee on the Judiciary.

By Mr. DOWELL: Petition signed by sundry citizens of Des Moines, Iowa, relative to the attitude our Government should assume in the European war; to the Committee on Foreign Affairs.

By Mr. EAGAN: Petition signed by M. A. Myers, of Englewood, N. J., favoring House bill 20080; to the Committee on Foreign Affairs.

Also, petition signed by Constance E. Hartt, Passaic, N. J., favoring House bill 20080; to the Committee on Foreign Affairs.

Also, petition of the Board of Education of Paterson, N. J., favoring appropriation for field service for promoting instruction and training in citizenship of applicants for naturalization; to the Committee on Appropriations.

Also, protests by the Manufacturers and Merchants' Association of New Jersey, against the bill excluding liquor advertisements from the mails; to the Committee on the Post Office and Post Roads.

By Mr. EAGLE: Petition of sundry citizens of the eighth district of the State of Texas, protesting against prohibition in the District of Columbia; to the Committee on the District of Columbia.

By Mr. ELSTON: Memorial of Glenview Woman's Club, of Alameda County, Cal., indorsing bill forbidding illegal combinations for the purpose of raising the price of foodstuffs; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER: Protests of manufacturers and bankers of La Salle County, Ill., represented in the Illinois Valley Manufacturers' Club; the stockholders of the Rockford (Ill.) Mitten & Hosiery Co.; the B. Z. D. Knitting Co.; the King Co.; the Ziock Paper Box Co.; and the Barber Coleman Co.; all of Rockford, Ill., against the proposed tax on business; to the Committee on Ways and Means.

By Mr. GALLIVAN: Petition of 191 citizens of Boston, Mass., protesting against prohibition legislation; to the Committee on the Judiciary.

Also, petitions signed by Pehr G. Holmes, mayor of Worcester; Frank E. Stacy, mayor of Springfield; W. E. Moulton, mayor of Pittsfield; and resolutions of mass meeting in Faneuil Hall, all of Massachusetts, favoring universal military training; to the Committee on Military Affairs.

By Mr. HADLEY: Petition and memorial in the matter of labor conditions at Everett, from central labor council and mass meeting, Seattle; Garbage Department Workers, No. 14866, Seattle; president Washington State Federation of Labor; Socialist Party of Anacortes; North Yakima Trades and Labor Council, North Yakima; and meeting of citizens of Monroe, Snohomish County, all in the State of Washington; to the Committee on Labor.

By Mr. HILLIARD: Petition of 80 members of Beth-Eden Baptist Young People's Union; 101 members Baptist Young People's Union; and 30 members of the Congregational Christian Endeavor Union, all of Denver, Colo., favoring national constitutional prohibition amendment; to the Committee on the Judiciary.

By Mr. IGOE: Resolutions adopted by the Carpenters' District Council of St. Louis and vicinity, signed by J. W. Williams, secretary, pertaining to the Americanization work of the naturalization service and urging an additional appropriation to carry on this work; to the Committee on Appropriations.

By Mr. MAGEE (by request): Petition of sundry citizens of Syracuse, N. Y., favoring legislation for Federal censorship of motion pictures, prohibition for District of Columbia, national prohibition, prohibition of liquor advertising in mails, and prohibition of interstate transmission of race gambling bets; to the Committee on Interstate and Foreign Commerce.

By Mr. MORIN: Petition of Miss C. Mathilda Carpenter, Miss Mary L. Hay, Miss N. A. Slocum, Miss Florence Harper, Miss Elizabeth Ogden, and Mrs. D. D. Pendleton, all of Pittsburgh, Pa., with reference to Federal suffrage amendment; to the Committee on the Judiciary.

By Mr. NOLAN: Petition of Jake Lohman and 56 others from Los Angeles, Cal., protesting against all prohibition measures and mail-exclusion bills; to the Committee on the Judiciary.

By Mr. PLATT: Petition of 71 citizens of Orange County, N. Y., favoring a Christian amendment to the Constitution; to the Committee on the Judiciary.

By Mr. SCULLY: Petition of African Methodist Episcopal Zion Church, 132 people, Asbury Park, N. J., favoring a national constitutional prohibition amendment; to the Committee on the Judiciary.

Also, petition of Christian Endeavor Society, 20 people; Christian Endeavor Society of Central Baptist Church, 30 people;

and Methodist Episcopal Church, 130 people, all of Atlantic Highlands, N. J., favoring a national constitutional prohibition amendment; to the Committee on the Judiciary.

By Mr. SMITH of Michigan: Papers in the case of House bill 20338, granting an increase of pension to Eugene P. Thomas; to the Committee on Invalid Pensions.

By Mr. SULLOWAY: Petition of the letter carriers of Manchester, N. H., praying for an increase in salary on account of the high cost of living; to the Committee on the Post Office and Post Roads.

By Mr. VOLSTEAD: Petition of sundry citizens of the State of Minnesota, protesting against an increase in postal rates on second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, petition of Pilgrim Congregational Church, Dorcas Society of the Lutheran Church, and Woman's Missionary Society, all of Benson, Minn., favoring national constitutional prohibition amendment; to the Committee on the Judiciary.

Also, petition of postal clerks of the seventh congressional district of Minnesota, favoring increase in salaries; to the Committee on the Post Office and Post Roads.

SENATE.

TUESDAY, January 30, 1917.

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thou dost open the portals of a new day that we may enter with the high resolve of Christian statesmen. Thou hast written over the portals of the new day, Seek first the kingdom of God and His righteousness, and all these things shall be added unto you. So Thou hast given to us the divine philosophy and made all blessings contingent upon the supremacy of the kingdom of God. We pray that we may be led out into the paths of service this day under the inspiration of the teaching of our Lord. For Christ's sake. Amen.

CALLING OF THE ROLL.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Harding	Martine, N. J.	Smith, Ga.
Brady	Hitchcock	Myers	Smith, Md.
Brandegee	Husting	Nelson	Smith, Mich.
Bryan	James	Norris	Smith, S. C.
Chamberlain	Johnson, Me.	O'Gorman	Smoot
Chilton	Johnson, S. Dak.	Overman	Sterling
Clapp	Jones	Page	Thompson
Culberson	Kenyon	Phelan	Tillman
Curtis	Kern	Pittman	Vardaman
Dillingham	La Follette	Poindexter	Wadsworth
Fall	Lane	Ransdell	Walsh
Fletcher	Lewis	Robinson	Watson
Gallinger	Lodge	Shaftroth	Works
Gronna	McCumber	Sheppard	

Mr. OVERMAN. I announce that my colleague [Mr. SIMMONS] is detained at home on account of illness.

Mr. MARTINE of New Jersey. I rise to announce the absence of the Senator from Oklahoma [Mr. GORE], who is detained at his home through illness. I ask that this announcement may stand for the day.

Mr. WEEKS subsequently said: I was not present when the Senate convened to-day. If I had been, I would have announced the absence of the junior Senator from Illinois [Mr. SHERMAN] and stated that he is absent on account of death in his family.

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present. The Secretary will read the Journal of the proceedings of the preceding session.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. BRADY and by unanimous consent, the further reading was dispensed with and the Journal was approved.

ELECTORAL VOTES.

The VICE PRESIDENT laid before the Senate a communication from the secretary of state transmitting, pursuant to law, an authentic copy of the certificate of the final ascertainment of the electors for President and Vice President in the State of South Carolina on the election held on the 7th day of November, 1916, which was ordered to be filed.

RAILWAY-LAND GRANTS IN IOWA (S. DOC. NO. 666, PT. 2).

The VICE PRESIDENT laid before the Senate a communication from the Attorney General stating, in further response to a resolution of August 19, 1913, that further examination

of the files of the Department of Justice has revealed additional papers relating to land grant of May 12, 1864, and transmits copies of these papers to the Senate, which, with the accompanying papers, was ordered to lie on the table and be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the amendments of the Senate to the bill (H. R. 217) to authorize the sale of school property in the city of Denver, Colo., and for other purposes.

The message also announced that the House had passed a bill (H. R. 20453) making appropriations for fortifications and other works of defense, for the armament thereof, for the procurement of heavy ordnance for trial and service, and for other purposes, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. FLETCHER presented petitions of sundry citizens of Florida, praying for national prohibition, which were ordered to lie on the table.

Mr. PHELAN presented a petition of the Stockton (Cal.) Ad Club, praying for an appropriation for the construction of a 20-foot channel at low tide from the wharves of Stockton, Cal., to the sea, which was referred to the Committee on Commerce.

Mr. SHEPPARD. I present a concurrent resolution of the Legislature of the State of Texas, which I ask may be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

HOUSE OF REPRESENTATIVES,  
STATE OF TEXAS,  
Austin, January 22, 1917.

House concurrent resolution 4.

Whereas it is a well-known fact that that section of the State known as east Texas abounds in the finest quality of brown hematite ore; and Whereas the Federal Government of the United States proposes to erect an armor-plate plant somewhere in this section of the country; Therefore be it

*Resolved by the house of representatives of the thirty-fifth legislature (the senate concurring), That we call the attention of the Secretary of the Navy to the many advantages offered by east Texas for a location of such armor-plate plant; be it further*

*Resolved, That the Representatives from Texas in the National Congress are hereby requested to use all means within their power to bring to the attention of the proper authorities the wonderful resources of east Texas and the great advantage in locating said armor-plate plant at some point in this section of the State; be it further*

*Resolved, That the governor be requested to forward to the Secretary of the Navy a copy of this resolution, and the chief clerk of the house of representatives is hereby instructed to send a copy to each of our Senators and Representatives in Congress.*

Read and adopted by the house of representatives and the senate January 22, 1917.

BOB BARKER,  
Chief Clerk of the House.

Mr. OVERMAN. I present a resolution adopted by the Legislature of North Carolina, advocating and supporting Watauga Valley, in Carter County, Tenn., and immediately contiguous to the North Carolina magnetic ore bed, as the most suitable site in the United States for the location of the Government armor plant. The resolution is somewhat lengthy, and I do not ask that it be read, but that it be printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution requesting the North Carolina delegation in Congress to advocate and support the Watauga Valley, in Carter County, Tenn., and immediately contiguous to the North Carolina magnetic ore bed known as the Cranberry ore, as the most suitable site in the United States for the location of the Government armor plant.

Whereas the United States Government, acting under and by authority of H. R. 15947, appropriating \$11,000,000 for the construction of a Government armor plant and authorizing and directing the Secretary of the Navy to provide such a plant, is now about to select a site for the location of said plant, acting by and through the honorable Secretary of the Navy and the General Naval Board, as well as by and through an armor-plant board, recently appointed, consisting of Admiral Frank F. Fletcher, Commander Frank H. Clark, and Civil Engineer R. C. Backenhaus; and

Whereas some 125 or 130 localities on September 13 and 14, 1916, presented written briefs and oral arguments to the honorable Secretary of the Navy and to the General Naval Board setting forth the advantages and resources of their respective localities, which, in their opinion, entitled them to the location of said plant; and

Whereas the General Naval Board has recently submitted its preliminary report, eliminating from the contest all of the sites and localities presented, excepting some 18 or 19 towns, of which Johnson City and Elizabethton, Tenn., representing the claims of the Watauga Valley, are two, by the application of the military policy outlined by the War College division of the General Staff of the War Department on September 11, 1915; and

Whereas as a result of the application of this principle, as embodied in the General Board's preliminary report, the only town in the State of North Carolina, namely, Fayetteville, which was pressing its claims as a suitable location for said plant, is thus eliminated; and

Whereas it has been recently brought to our attention by circular letters issued by said armor-plant board, bearing dates of December 20, 1916, and January 12, 1917, that the policy of the Government in the making of armor will probably be that of the purchase in the open market of suitable pig iron instead of the erection of furnaces and the smelting of ore; and

Whereas the said communications from said armor-plant board indicate that Bessemer pig iron with a phosphorus content of not exceeding 0.1 per cent will be demanded to meet the requirements of the Government; with a manganese content of from 1.06 to 1.16 per cent; with a copper content not to exceed 0.034 per cent; a sulphur content of from 0.25 to 0.32 per cent; with a silicon content of from 0.6 to 0.96 per cent; and

Whereas it has been reliably brought to our attention that no locality in the South, and probably no locality in the United States, excepting possibly those sections which draw on the Lake Superior ore beds for their raw material, can produce pig iron of the analysis required from the ores in their immediate locality—that is to say, without importing their ores and other raw material—excepting the locality in the immediate vicinity of the Watauga Valley, which is removed only 23 miles from the famous Cranberry ores, which for many years have been smelted at Johnson City, Tenn., and which produce a very high grade of low-phosphorus pig of the following analysis: Phosphorus, not exceeding 0.035 per cent; copper, 0.015 per cent; sulphur, 0.015 to 0.032 per cent; silicon, 0.6 per cent, and as much higher as the specifications call for; and

Whereas it has been brought to our attention that this marvelous bed of low phosphorus metallic iron ore, located in Mitchell, Avery, Watauga, Ashe, and other western North Carolina counties, immediately contiguous to the Watauga Valley, is probably the largest bed of low phosphorus ores to be found outside of the Lake Superior district, and that these beds contain an almost inexhaustible quantity of ore, sufficient, in fact, to meet all the demands of the Government for many hundreds of years, the tonnage in that immediate locality probably running into the hundreds and hundreds of millions of tons; and

Whereas the Watauga Valley seems to occupy a peculiar and a unique location, in that in its immediate vicinity there is in existence a most marvelous and wonderful combination of the very raw materials and elements which enter into the manufacture of armor plate, as hereinafter set forth, namely:

(1) Its close proximity to the great coal fields of Virginia, where the greatest bodies of high-grade steaming and gas-producing coal in the world lie in absolutely inexhaustible and illimitable quantities, all within easy reach, by a downhill haul, of the Watauga Valley, with an existing freight rate of only 75 cents per ton.

(2) Its being located on a solid bed of dolomitic limestone of an analysis that exactly suits the Government's requirements, and which exists in inexhaustible quantities for miles around.

(3) Its location in a section where there is abundant hydroelectric power possibilities, and where, within from 30 to 50 miles of the proposed site, there can be economically developed and put into operation from 50,000 to 100,000 electric horsepower.

(4) Its location in the immediate vicinity of immense quantities of high-grade manganese and chromium, from which, with electrical furnaces operated by this electrical horsepower, ferromanganese and ferrochromium can be economically produced.

(5) The fact that this valley is absolutely surrounded by precipitous mountain ranges, being in the very heart of the great Appalachian system, and on the western slope of the Blue Ridge and the Great Smoky Mountains, and between these ranges on the east and the Cumberland Mountains on the west, thus making a veritable fortress, and a locality which could probably be more easily and economically defended than any locality in the United States, because of the existence on all sides of impenetrable mountain ranges, and which location comes nearer complying with the one requirement in the act appropriating the money to build the plant, namely, that the site shall "be located at a place approved by the General Board of the Navy, with especial reference to considerations of safety in time of war," than any other locality in the United States.

(6) Its location in the midst of native-born white skilled-labor population, where there is no trace of foreign element and where labor unions have never existed, and where strikes have never occurred, and where this pure Anglo-Saxon native labor has been for 25 years developing into a high-class skillful labor, by reason of the marvelous industrial development which has been taking place in that immediate locality during the last 25 years, and would thus afford the Government ample skilled labor.

(7) In a locality possessing railroad facilities equal to the best and in every way ample to take care of the situation, being within 4 miles of the great Carolina, Clinchfield & Ohio Railway system; within 3 miles of the Appalachian division of the Southern Railway; within 5 miles of the main line of the Southern Railway; within 25 miles of the Norfolk & Western Railroad; within 30 miles of the Louisville & Nashville Railroad; on the East Tennessee & Western North Carolina Railroad, extending from the ore fields to Johnson City, Tenn., and traversing this valley; and on the Laurel Fork Railway.

(8) In a location where there is the greatest abundance of pure freestone water for domestic purposes, the town of Elizabethton being supplied from one spring which brings 10,000,000 gallons per day to the city from an elevation of 250 feet, only 6 miles distant; and Johnson City being supplied with the same character of pure water from a series of springs only 15 miles distant.

(9) In a location well drained by two rivers, namely, the Doe and the Watauga River, both being bold, swift, clear mountain streams, maintaining a uniform flow and having watersheds in the Blue Ridge Mountains, and in the very midst of the immense Appalachian Forest Reserve, where the Government already owns in the neighborhood of 150,000 acres of land, to protect the headwaters and watersheds of these streams and springs and to maintain the flow.

(10) In a location where there is perfect drainage and dumping facilities.

(11) In a location where there exists throughout the entire year unexcelled climatic and sanitary conditions, where there is a climate that is not surpassed by any in the world, with an elevation of sufficient height, namely, about 1,650 feet, as a result of which malaria and other like fevers, mosquitoes, etc., are absolutely unknown; where the bracing, stimulating atmosphere and the uniformly cool nights enable the laborers to perform their work under the most satisfactory conditions.

(12) In a locality surrounded by a splendid agricultural community and where living has always been, and is to-day, probably cheaper than at almost any point in the United States.

(13) In a location that is completely surrounded and in close proximity to many of the national and sectional highways of the South; in a county which is just spending close to half a million dollars in building a system of highways that open up and connect Tennessee with western North Carolina by a road through the famous Doe River gorge, through the Cranberry mining district, and connecting with the Crest of the Blue Ridge and the Yohnalassee Roads and other North Carolina highway systems, and in a location where the adjoining county of Washington is in the act of voting a seven hundred and fifty thousand dollar bond measure for the purpose of building a system of highways that will connect in every way with said Watauga Valley.

(14) In a situation where aviation and wireless facilities would be absolutely unique and unsurpassed, aviation experiments in this section having proven that there are air currents over these mountains that would make an aeroplane attack almost impossible, and which at the same time would furnish the very best facilities for the establishment of wireless stations, there being in the mountain ranges, in close proximity to this valley, more than 160 peaks exceeding 4,000 feet in height, over 40 of which exceed 6,000 feet in height.

(15) A situation which offers to the Government an absolutely free site for all of its requirements.

The immense and practically incalculable advantages to the State of North Carolina in the location of this plant in the Watauga Valley (which valley is midway between the towns of Johnson City and Elizabethton) can not possibly be overestimated. This is the greatest opportunity that has ever been presented to western North Carolina for the development of her wonderful natural resources, which are among the most wonderful and richest in the United States; and, inasmuch as the proposed site is only separated from North Carolina and from the natural resources above referred to by the distance of a few miles and an imaginary line, and where the great bulk of the raw material will be drawn from North Carolina, there is every reason why the entire North Carolina delegation should bring to bear with the said Armor Plant Board all of the influence and argument possible in the way of convincing said board that no locality in the United States exists where it would be to greater advantage to the entire country to locate the plant than in the Watauga Valley.

We believe it to be the patriotic duty of every North Carolinian to support that site which is actually the very best site in all the country for this plant, by reason of the rare and wonderful combination of resources which exist there.

The construction of a great plant of this character is a great national institution, and by right ought to be located in the very best place, based upon the article or articles to be manufactured and the raw materials from which they are to be manufactured, with considerations for the safety of the plant and the procurement of raw materials taken into account. It would be most unwise to locate such a plant—such a great national institution—in a locality that was dependent upon its supply of raw materials to be imported from a section which could be easily attacked and captured in case of war; it would be extremely unwise not to locate such a plant in a place that was a natural fortress and which could be so easily and inexpensively defended; it would be unwise to locate such a great institution as this at a point to which all or the greater part of the raw material would have to be freighted; and it seems to us that the only wise, economical, and sensible plan is to select some locality which is naturally fortified by our great mountains and which is situated in the very heart of the raw materials going into the manufacture of the article and there locate the plant: Therefore be it

*Resolved by the House of Representatives of the State of North Carolina (the Senate concurring), That our Representatives and Senators in Congress be requested to take all the necessary steps to bring these matters to the attention of the Armor Plant Board and to the honorable Secretary of the Navy, to the end that the Watauga Valley, the best situation in the United States for the location of the armor-plate plant, may be selected therefor: Be it further*

*Resolved, That upon the passage of this resolution the secretary of state be instructed to send forthwith copies thereof to our Senators and Representatives in Congress.*

In the general assembly read three times and ratified this the 23d day of January, 1917.

STATE OF NORTH CAROLINA,  
DEPARTMENT OF STATE,  
Raleigh, January 25, 1917.

I, J. Bryan Grimes, secretary of state of the State of North Carolina, do hereby certify the foregoing and attached nine sheets to be a true copy from the records of this office.

In witness whereof I have hereunto set my hand and affixed my official seal.

Done in office at Raleigh this 25th day of January, in the year of our Lord 1917.

[SEAL]

J. BRYAN GRIMES, Secretary of State.

Mr. NELSON presented a petition of the Optimist Club, of St. Paul, Minn., praying for the adoption of certain amendments to the postal laws, which was referred to the Committee on Post Offices and Post Roads.

Mr. WEEKS presented a petition of John Devoy Branch, Friends of Irish Freedom, of Roxbury, Mass., praying that American citizens be warned that sailing on armed ships of belligerent registry will be at their own risk, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Massachusetts State Firemen's Association, praying for an increase in the salaries of the firemen of the District of Columbia, which was referred to the Committee on Appropriations.

Mr. HUSTING presented a petition of the Rotary Club, of Superior, Wis., praying for an appropriation of \$50,000, to be administered through the Bureau of Education, for the purpose

of disseminating information as to the methods and established practices for the education of immigrants, which was referred to the Committee on Education and Labor.

Mr. PHELAN presented a petition of the congregation of the First Methodist Episcopal Church of Earlimart, Cal., praying for the enactment of legislation to exclude liquor advertisements from the mails, which was ordered to lie on the table.

He also presented a memorial of the Berkeley (Cal.) Committee Against Compulsory Military Training, remonstrating against compulsory military training, which was referred to the Committee on Military Affairs.

Mr. WADSWORTH presented petitions of sundry citizens of New York, praying for national prohibition, which were ordered to lie on the table.

#### THE INAUGURATION.

Mr. SMITH of Maryland. From the Committee on Appropriations I report back favorably, without amendment, the joint resolution (S. J. Res. 203) to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1917, and I ask for its present consideration.

The VICE PRESIDENT. The joint resolution will be read.

The Secretary read the joint resolution, as follows:

*Resolved, etc., That \$35,000, or so much thereof as may be necessary, payable from any money in the Treasury not otherwise appropriated and from the revenues of the District of Columbia in equal parts, is hereby appropriated to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in said District from the 28th of February to the 10th of March, 1917, both inclusive, including the employment of personal services, payment of allowances, traveling expenses, hire of means of transportation, and other incidental expenses in the discretion of the commissioners. Said commissioners are hereby authorized and directed to make all reasonable regulations necessary to secure such preservation of public order and protection of life and property and fixing fares by public conveyance, and to make special regulations respecting the standing, movements, and operating of vehicles of whatever character or kind during said period and fixing fares to be charged for the use of the same. Such regulations shall be in force one week prior to said inauguration, during said inauguration, and one week subsequent thereto, and shall be published in one or more of the daily newspapers published in the District of Columbia, and in such other manner as the commissioners may deem best to acquaint the public with the same; and no penalty prescribed for the violation of any of such regulations shall be enforced until five days after such publication. Any person violating any of such regulations shall be liable for each such offense to a fine not to exceed \$100 in the police court of said District, and in default of payment thereof to imprisonment in the workhouse of said District for not longer than 60 days. And the sum of \$5,000, or so much thereof as may be necessary, is hereby likewise appropriated, to be expended by the Commissioners of the District of Columbia for the construction, rent, maintenance, and expenses incident to the operation of temporary public-comfort stations, first-aid stations, and information booths during the period aforesaid, including the employment of personal services.*

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

#### BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLETCHER:

A bill (S. 8072) to create an additional judge in the southern district of Florida; to the Committee on the Judiciary.

By Mr. STERLING (for Mr. FERNALD):

A bill (S. 8073) granting an increase of pension to William P. Cook (with accompanying papers); and

A bill (S. 8074) granting an increase of pension to George W. Townsend (with accompanying papers); to the Committee on Pensions.

By Mr. RANDELL:

A bill (S. 8075) for the relief of Marguerite Mathilde Slidell d'Erlanger; to the Committee on Immigration.

By Mr. JOHNSON of South Dakota:

A bill (S. 8076) granting an increase of pension to Marcus J. Howland (with accompanying papers); and

A bill (S. 8077) granting an increase of pension to Paleman S. Castle (with accompanying papers); to the Committee on Pensions.

By Mr. MYERS:

A bill (S. 8078) for the relief of Benjamine O. Kerlee; to the Committee on Claims.

By Mr. BRYAN:

A bill (S. 8079) to amend the first and seventh paragraphs of section 4414 of the Revised Statutes of the United States, as amended by the act of April 9, 1906; to the Committee on Commerce.

By Mr. WATSON:

A bill (S. 8080) granting an increase of pension to Morris Hinchman; and

A bill (S. 8081) granting an increase of pension to George D. Abraham; to the Committee on Pensions.

By Mr. O'GORMAN:

A bill (S. 8082) authorizing the acquisition of a site and the erection thereon of a public building at Yonkers, N. Y. (with accompanying papers); to the Committee on Public Buildings and Grounds.

A bill (S. 8083) for the relief of the Daly & Hannan Dredging Co. (with accompanying paper); to the Committee on Claims.

By Mr. HUSTING:

A bill (S. 8084) granting an increase of pension to Charles Fisk; to the Committee on Pensions.

By Mr. MYERS:

A bill (S. 8085) for the relief of F. A. Carnal and Ada Lewis; to the Committee on Claims.

By Mr. POMERENE:

A bill (S. 8086) regulating the issuance of checks, drafts, and orders for the payment of money within the District of Columbia; and

A bill (S. 8087) regulating itinerant vendors in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 8088) for the relief of Col. Selden Allen Day; to the Committee on Military Affairs.

By Mr. HOLLIS:

A bill (S. 8089) for the relief of Rika Gester; to the Committee on Military Affairs.

#### PUBLIC BUILDINGS.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the public buildings bill (H. R. 18994), which was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the public buildings bill (H. R. 18994), which was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

#### RIVER AND HARBOR APPROPRIATIONS.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the rivers and harbors appropriation bill (H. R. 20079), which was referred to the Committee on Commerce and ordered to be printed.

Mr. SHEPPARD submitted two amendments intended to be proposed by him to the rivers and harbors appropriation bill (H. R. 20079), which was referred to the Committee on Commerce and ordered to be printed.

Mr. HARDING submitted an amendment intended to be proposed by him to the rivers and harbors appropriation bill, which was referred to the Committee on Commerce and ordered to be printed.

Mr. MARTIN of Virginia submitted an amendment intended to be proposed by him to the rivers and harbors appropriation bill, which was referred to the Committee on Commerce and ordered to be printed.

#### EXPORT TRADE.

Mr. POMERENE submitted three amendments intended to be proposed by him to the bill (H. R. 17350) to promote export trade, and for other purposes, which were referred to the Committee on Interstate Commerce and ordered to be printed.

#### ADDRESS BY THE PRESIDENT OF THE UNITED STATES.

Mr. LEWIS. I tender a resolution and ask that it be printed and lie on the table.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 332) was read, ordered to lie on the table, and to be printed, as follows:

*Resolved*, That it is the sense of the United States Senate that the address of the President of the United States, delivered to the Senate on the 22d of January, 1917, does not propose the abolishment or limitation of the Monroe doctrine of America in its effect or application to any part of the Western Hemisphere, nor does it propose to send the Army or Navy of the United States or any military or naval power of the United States to any foreign territory, except when necessary to preserve the peace of the United States or to protect the just rights of America or an American where the same are assailed.

Mr. McCUMBER. I submit a resolution on the same subject as that of the Senator from Illinois [Mr. LEWIS]—the address by the President of the United States. I ask that the resolution may be read, printed, and go over under the rule.

The VICE PRESIDENT. The resolution will be read.

The Secretary read the resolution (S. Res. 333), as follows:

*Resolved*, That while the Senate joins with the President in the earnest hope for a speedy termination of the war now devastating the greater portion of the earth, that such war may be brought to an end without crushing any of the great peoples engaged therein, and that a

world compact for the preservation of peace and the diminution of armaments so conditioned that this country can with honor and national safety subscribe to its terms and join in its enforcement may be entered into by all the great nations of the earth, as suggested in the address of the President before the Senate on January 22, 1917, the Senate nevertheless regrets that it is unable to agree with the President, either on the major propositions that the peace must be a peace without victory or the many other matters which the President suggests as conditions precedent to the entrance of this country into such a compact; but no matter how this war may end, this country, deeply impressed with its slaughter, its devastation, and its baneful influence on civilization and progress, should stand ready at all times, irrespective of the terms of peace which the necessity of any belligerent may compel it to accept, to exercise its influence and to act jointly with other world powers to strengthen the bonds of international comity and good will and to lend its moral and physical support to the end that no such war may ever again blacken the earth.

Mr. McCUMBER. Mr. President, I wish to give notice at this time that either on Thursday or Friday next, at the conclusion of the proper morning business, I shall ask permission to submit some remarks concerning the resolution.

The VICE PRESIDENT. The resolution goes over under the rule. Are there further peace or other resolutions?

#### PORTRAIT OF JOSEPH HENRY.

Mr. WILLIAMS submitted the following resolution (S. Res. 334), which was read and referred to the Committee on the Library:

*Resolved*, That the Sergeant at Arms of the Senate be, and he is hereby, authorized and directed to transfer to the Smithsonian Institution the portrait of Joseph Henry, the first Secretary of that Institution, now hanging in the office of the Sergeant at Arms of the Senate.

#### GOVERNMENT OF PORTO RICO.

Mr. SHAFROTH. I ask unanimous consent that not later than 6 o'clock p. m. the Senate take a recess until 8 o'clock p. m. to-day, and at that time the unfinished business of the Senate shall be temporarily laid aside and the Senate proceed to the consideration of the bill (H. R. 9533) to provide a civil government for Porto Rico, and for other purposes, and that not later than 11 o'clock p. m. the Senate will adjourn, but before adjournment the unfinished business shall be again laid before the Senate.

The VICE PRESIDENT. Is there objection?

Mr. JONES. The Senator from North Dakota [Mr. GRONNA] is not here, and he seems to be interested in this matter more than anyone else. Has the Senator conferred with him?

Mr. SHAFROTH. I do not think the Senator from North Dakota will object. At the same time I can not say with absolute certainty that he will not object. This request does not require a vote.

Mr. JONES. I know. I have no objection myself, but I think probably in the absence of the Senator from North Dakota, who is very much interested in the matter, the Senator should withhold his request for the present. He will be here very soon.

Mr. SHAFROTH. Very well.

#### THE PEACE PROBLEM.

Mr. LODGE. I present an article on the peace problem, by John Bassett Moore. It is a short one. Of course, he is the best authority on international law in the country or anywhere. I ask that this article be printed as a Senate document and that it be referred to the Committee on Printing. I hope the committee will report promptly.

The VICE PRESIDENT. It will be so ordered.

#### PEACE TREATY WITH NORWAY.

Mr. BRANDEGEE. Mr. President, yesterday I put in the RECORD a communication from the League to Enforce Peace. In this connection I think it is important that the public should know the tenor of the existing so-called peace treaties. I therefore send to the desk and ask that there may be printed in the RECORD the peace treaty with Norway, which is a type of the 30 peace treaties we made in 1914.

There being no objection, the treaty was ordered to be printed in the RECORD, as follows:

To the Senate:

I transmit herewith, with a view to receiving the advice and consent of the Senate to its ratification, a treaty between the United States and Norway looking to the advancement of the cause of general peace, signed at Washington on June 24, 1914.

WOODROW WILSON.  
THE WHITE HOUSE,  
Washington, July 24, 1914.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, to the end that should his judgment approve thereof it be transmitted to the Senate with a view to receiving the advice and consent of that body to its ratification, a treaty between the United States and Norway looking to the advancement of the cause of general peace, signed at Washington on June 24, 1914.

Respectfully submitted,

DEPARTMENT OF STATE,

Washington, July 23, 1914.

W. J. BRYAN.

The President of the United States of America and His Majesty the King of Norway, being desirous to strengthen the bonds of amity that bind them together and also to advance the cause of general peace, have resolved to enter into a treaty for that purpose, and to that end have appointed as their plenipotentiaries:

The President of the United States; William Jennings Bryan, Secretary of State of the United States; and

His Majesty the King of Norway, H. H. Bryn, Envoy Extraordinary and Minister Plenipotentiary of Norway to the United States;

Who, after having communicated to each other their respective full powers, found to be in proper form, have agreed upon and concluded the following articles:

#### ARTICLE I.

The high contracting parties agree that all disputes between them of every nature whatsoever shall, when diplomatic methods of adjustment have failed, be referred for investigation and report to a permanent international commission; provided, however, that treaties in force between the two parties do not prescribe settlement by arbitration of such dispute.

The commission shall be constituted in the manner prescribed in the next succeeding article.

The high contracting parties agree not to declare war or begin hostilities during such investigation and before the report is submitted.

#### ARTICLE II.

The international commission shall be composed of five members to be appointed as follows: One member shall be chosen from each country by the Government thereof; one member shall be chosen by each Government from some third country; the fifth member, who shall be the chairman of the commission, shall be chosen by common agreement between the two Governments, it being understood that he shall not be a citizen of either country nor a resident in either of them. If an agreement is not reached as to this appointment, the fifth member shall be chosen according to the rules laid down in article 87 of the convention signed at The Hague on October 18, 1907, for the peaceful settlement of international disputes.

The expenses of the commission shall be paid by the two Governments in equal proportion.

The international commission shall be appointed within four months after the exchange of the ratifications of this treaty; vacancies to be filled according to the manner of the original appointment.

Unless otherwise agreed between the parties, the procedure of the international commission shall be regulated by the prescriptions contained in Chapter III of the convention mentioned above.

#### ARTICLE III.

In case the high contracting parties shall have failed to adjust a dispute by diplomatic methods, and the dispute is not to be settled by arbitration, the parties shall at once refer it to the international commission for investigation and report.

The international commission may, however, spontaneously offer its services to that effect, and in such case it shall notify both Governments and request their cooperation in the investigation.

The high contracting parties agree to furnish the permanent international commission with all the means and facilities required for its investigation and report.

The report of the international commission shall be completed as soon as possible and at the latest within one year after the date on which the commission shall declare its investigation to have begun, unless the high contracting parties shall extend or limit the time by mutual agreement. The report shall be prepared in triplicate; one copy shall be presented to each Government and the third retained by the commission for its files.

#### ARTICLE IV.

The high contracting parties agree that, upon the receipt of the report of the international commission, they will immediately endeavor to adjust the dispute directly between them upon the basis of the commission's findings. They reserve, however, the right to act independently on the subject matter of the dispute after the report of the commission shall have been submitted.

#### ARTICLE V.

The present treaty shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Norway.

The ratifications shall be exchanged at Washington as soon as possible.

The treaty shall take effect immediately after the exchange of ratifications and shall continue in force for a period of five years; and it shall thereafter remain in force until 12 months after one of the high contracting parties have given notice to the other of an intention to terminate it.

In witness whereof the respective plenipotentiaries have signed the present treaty and have affixed thereunto their seals.

Done in duplicate, in the English and Norwegian languages, at Washington, this 24th day of June, 1914.

[SEAL.]  
[SEAL.]

WILLIAM JENNINGS BRYAN.  
HELMER H. BRYN.

#### LEAGUE TO ENFORCE PEACE.

Mr. WEEKS. Mr. President, I present a letter from the secretary of the League to Enforce Peace relative to the propaganda which has been started by that organization. It contains a blank form of a letter to be sent to the Senators and Representatives from Massachusetts. There are 10,000 members of the league in Massachusetts, and therefore perhaps my colleague and myself will receive 10,000 of these letters. Manifestly it would be impossible to answer them individually. I therefore ask that the letter and form which is sent Members on which to make reply be incorporated in the Record.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

LEAGUE TO ENFORCE PEACE,  
Boston, January 24, 1917.

To the MEMBERS OF THE MASSACHUSETTS BRANCH OF THE LEAGUE TO ENFORCE PEACE:

Since the annual meeting of the Massachusetts branch of the league, many of our members have been asking, "What can I do to help realize the league's program?"

As the result of the great mass meetings in Springfield and Pittsfield, the Massachusetts branch of the league now has more than 10,000 members. The time has come to use the immense power of public opinion represented by our membership. It is important that the Senators and Representatives from Massachusetts should receive from their constituents within the next few days many thousands of letters asking them to support the proposals of the league in every appropriate way. Your help is needed in the following ways:

1. Sign and mail the inclosed three letters to your Senators and Representative immediately.

2. Write a short personal letter in addition to the inclosed form letter, urging your Senators and Representative to support the league's proposals.

3. Ask your friends who are interested in this great constructive movement for the future peace of the world, to write to their Senators and Representative.

4. Ask organizations with which you are associated to send resolutions and letters to Washington indorsing the league's program.

Before February 1, all the Massachusetts Senators and Representatives will be asked by the congressional and legislative committee to state their attitude toward the league's proposals. It is important that before they reply to this question they should know that thousands of their constituents are in favor of the league's program.

Please sign and mail the inclosed letters immediately.

Cordially, yours,

GEORGE W. NASMYTH, Secretary.

HON. JOHN W. WEEKS,  
United States Senate, Washington, D. C.

DEAR SIR: As one of your constituents and as one of the 10,000 members of the Massachusetts Branch of the League to Enforce Peace, I respectfully request you to support and urge, in every appropriate way, the adoption of the league's proposals by the United States as soon as the opportunity arises in the Senate.

Very truly, yours,

HOUSE BILL REFERRED.

H. R. 20453. An act making appropriations for fortifications and other works of defense, for the armament thereof, for the procurement of heavy ordnance for trial and service, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

#### GOVERNMENT OF PORTO RICO.

Mr. SHAFROTH. Mr. President, I have endeavored to find the Senator from North Dakota [Mr. GRONNA], but have not yet been able to do so, although that Senator has been informed that a motion of the kind which I am now about to submit would be made.

I ask unanimous consent that not later than 6 o'clock p. m. the Senate take a recess until 8 o'clock p. m. to-day; that at that time the unfinished business of the Senate shall be temporarily laid aside; that the Senate shall then proceed with the consideration of the bill (H. R. 9533) to provide a civil government for Porto Rico, and for other purposes; that not later than 11 o'clock p. m. the Senate will adjourn; and that before adjournment the unfinished business shall again be laid before the Senate. I ask unanimous consent for the adoption of this agreement.

The VICE PRESIDENT. Is there objection?

Mr. VARDAMAN. I object.

The VICE PRESIDENT. There is objection.

Mr. SHAFROTH. Then, Mr. President, I move that the bill to which I refer be made the unfinished business for 8 o'clock to-night.

Mr. BRANDEGEE. I make the point of order that, under parliamentary law, there is no such motion, Mr. President.

The VICE PRESIDENT. The point of order must be sustained. The unfinished business depends upon the facts and not upon motions.

Mr. SHAFROTH. Mr. President, I do not know that my motion was put exactly in the language which I desired it. I move that the bill (H. R. 9533) to provide a civil government for Porto Rico, and for other purposes, be made the special order for to-night at 8 o'clock.

Mr. SMOOT. Mr. President, may I ask the Senator from Colorado what he will gain by that? If the bill to which he refers is made the special order at 8 o'clock to-night, the Senate will convene, perhaps, a little before that time or at that time, and as soon as the Senate convenes the unfinished business must be laid before the Senate.

Mr. SHAFROTH. Yes; but the Senator from Montana [Mr. WALSH], in charge of the unfinished business, has told me that he will immediately ask that it be temporarily laid aside.

Mr. SMOOT. Then, if there should be one objection it could not be so laid aside.

Mr. SHAFROTH. But the Senator from Montana then will have the right, or I will have the right, to move that the unfinished business be temporarily laid aside.

Mr. SMOOT. No.

Mr. SHAFROTH. Yes.

Mr. BRANDEGEE. No; that requires unanimous consent.

Mr. SMOOT. Yes; it requires unanimous consent.

Mr. MYERS. Mr. President, will the Senator from Colorado yield to me?

Mr. SHAFROTH. I yield to the Senator.

Mr. MYERS. If the motion should be made to lay aside the unfinished business and should prevail, that motion would displace the unfinished business.

Mr. SHAFROTH. Not if the unfinished business were temporarily laid aside.

Mr. MYERS. I do not think there is any such thing as moving to lay the unfinished business aside temporarily. If such a motion should be agreed to, I think that would displace the unfinished business.

Furthermore, I want to ask the Senator—I was called out of the Chamber for a few moments—was objection made to his request for unanimous consent?

Mr. SHAFROTH. Yes.

Mr. MYERS. Now, I understand the Senator from Colorado has made the motion, which I heard as I entered the Chamber. If that motion should prevail, and at 8 o'clock the unfinished business should be laid aside temporarily, even by unanimous consent, then if at 11 o'clock to-night the unfinished business were not again laid before the Senate, it would be displaced and the Porto Rican bill, as I understand, would become the unfinished business.

Mr. SHAFROTH. I will agree that the unfinished business shall be laid before the Senate. There is no disposition on my part to displace the unfinished business.

Mr. MYERS. I know there is no such disposition on the part of the Senator from Colorado, but there might be objection from some other Senator.

The VICE PRESIDENT. Now, let us see how this matter stands. We wasted three-quarters of an hour yesterday on this subject. Let us see if we can not save the waste of time now. The Chair can not change the rules of the Senate, and is not responsible for them. There is unfinished business before the Senate undisposed of. Unless by unanimous consent the unfinished business is temporarily laid aside—and it can not be so laid aside by a motion—and the consideration of the Porto Rican bill is proceeded with, the unfinished business will go to the calendar. If the Porto Rican bill is made the special order for 8 o'clock this evening, without a unanimous-consent agreement to lay aside temporarily the unfinished business, the Chair will be required to lay down the unfinished business at 8 o'clock, as it will be the matter before the Senate.

Mr. VARDAMAN. Mr. President, as I made the objection to unanimous consent, I withdraw it. I did not understand the proposition of the Senator from Colorado, and I now withdraw my objection.

Mr. SHAFROTH. Then I renew the request.

Mr. SMOOT. I want to ask the Senator from Colorado if he knows whether the Senator from North Dakota [Mr. GRONNA] is agreeable to his request?

Mr. SHAFROTH. I told the Senator from North Dakota that I intended to try to get a session to-night, and I have sent for him.

Mr. GRONNA entered the Chamber.

Mr. SMOOT. The Senator from North Dakota has just entered the Chamber.

Mr. SHAFROTH. Very well.

Mr. GRONNA. Mr. President, I have no objection to taking up the bill at any time, but I do not agree to fixing a time to vote upon it.

Mr. SHAFROTH. My request does not provide that there shall be a vote.

Mr. SMOOT. But it does not provide that there shall not be a vote.

Mr. SHAFROTH. No; but if the Senator from North Dakota or any other Senator desires to discuss the bill further, my request does not provide that there shall be a vote to-night, and consequently it gives the Senator all the opportunity that he may desire.

The VICE PRESIDENT. Is there objection to the request of the Senator from Colorado?

Mr. POMERENE. Mr. President, I shall object to making the bill referred to the special order for the following reasons: For some time I have been conferring with Senators with a view to having a call of the calendar. Among the bills on the calendar is the bill relating to the juvenile court in the District of Columbia, and it is of quite as much interest to the people of the District and the people of the United States as is the Porto Rican bill to some islanders of the sea. I am not without interest in them, but I am not going to lose sight of the duty that we owe to the people of the District here to pass some of the legislation that more seriously affects them. If we do not take up matters of this kind relating to the District and

other matters that are on the calendar about which there can not be any serious dispute, the last days of the session will be here, and we will not be able to get any action in the other House. I do not see how the Senator can expect to make any time by displacing that which is the unfinished business and taking up something else. Jumping from one piece of legislation to another is not, in my judgment, the way to expedite business.

Mr. SHAFROTH. Mr. President, I will say that it is not proposed to have a night session except for the purpose of considering the Porto Rican bill; and for that reason his objection simply deprives the Senate of the opportunity of considering that measure.

Mr. POMERENE. No; let us have a night session for the purpose of taking up the calendar.

Mr. SHAFROTH. Mr. President, I hope that the Senator will not insist upon his objection. If he does, I move that the Senate make the Porto Rican bill the special order for to-night at 8 o'clock.

The VICE PRESIDENT. The Senator from Ohio has objected. Now the Senator from Colorado moves that the Porto Rican bill be made the special order for 8 o'clock this evening.

Mr. SMOOT. Mr. President, is the morning business closed?

The VICE PRESIDENT. No; it has not closed.

Mr. SMOOT. Then, the Senator can not make that motion until the morning business is closed.

The VICE PRESIDENT. Why?

Mr. SHAFROTH. Where is the rule which so provides?

Mr. SMOOT. The rule is that before the conclusion of the morning business no motion to take up a bill shall be allowed.

The VICE PRESIDENT. The Senator from Colorado is not moving to take up the bill.

Mr. SMOOT. He is moving to make the bill a special order, to be taken up at a particular time.

The VICE PRESIDENT. The motion to make the bill the special order at 8 o'clock requires a two-thirds vote of the Senate, and is in order. It does not come under the rule referred to by the Senator from Utah.

Mr. MYERS. Mr. President, I had no objection whatever to the request of the Senator from Colorado for unanimous consent. I was quite in accord with it; but I shall have to oppose and vote against his motion because I believe his motion, if agreed to, will seriously imperil the place now occupied before the Senate by the unfinished business. In the way the Senator had his request for unanimous consent worded, there was no danger to the unfinished business, but under his motion I think there is grave danger to the unfinished business, and I shall have to vote against his motion on that account.

The VICE PRESIDENT. The question is on the motion of the Senator from Colorado.

Mr. JONES. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Washington will state it.

Mr. JONES. As I understand, if this motion should be carried, one objection to-night to laying aside the unfinished business would annul whatever action we take?

The VICE PRESIDENT. There is no doubt about that.

Mr. HUGHES. Mr. President, then, in order to reach this bill to-night, it will be necessary to secure unanimous consent temporarily to lay aside the unfinished business, in which event the unfinished business would come up automatically before the Senate to-morrow, would it not?

The VICE PRESIDENT. The Chair took about three-quarters of an hour yesterday to make that statement, and has made it twice to-day—that the only way to get rid of the unfinished business is by unanimous consent to temporarily lay it aside.

Mr. HUGHES. In which event the unfinished business would come up automatically before the Senate to-morrow?

The VICE PRESIDENT. If the Porto Rican bill be made the special order at 8 o'clock to-night, and the Senate convenes at 8 o'clock, and there is not unanimous consent to lay aside the unfinished business, the unfinished business will be before the Senate at 8 o'clock, regardless of the special order.

Mr. HUGHES. That is not the point of my inquiry at all, although, of course, I am delighted to get that information; but if unanimous consent is given to-night to temporarily lay the unfinished business aside, then to-morrow automatically the unfinished business comes before the Senate at the end of the morning hour. Is that correct?

The VICE PRESIDENT. The Chair is not deciding that question now. That will depend upon what takes place to-night.

Mr. SHAFROTH. Mr. President, I will state to the Senator from New Jersey that there is no intention upon my part to obstruct the water-power bill. I am perfectly willing to say

now that, if it should happen to be displaced, I will move that the unfinished business be taken up.

Mr. MYERS. Mr. President, will the Senator yield to me just for a moment?

Mr. SHAFROTH. I yield.

Mr. MYERS. I know that the Senator from Colorado has no disposition to obstruct the unfinished business. That is not what I am afraid of; but I am afraid of the working of our rules.

Mr. SHAFROTH. But if the unfinished business should be displaced at any time, a motion to take it up for consideration will restore it.

Mr. MYERS. But such a motion might not carry.

Mr. SHAFROTH. Oh, yes, I think it would; but if it should not carry, and the unfinished business should be displaced, it would be because Senators do not want to consider that bill. I do not think, however, that there is any risk or any chance as to that. In fact, the Senator from Montana [Mr. WALSH] came to me and stated that he would be perfectly willing, at the conclusion of the afternoon session to-day, to move to lay aside the unfinished business in order that the Porto Rican bill might be considered to-night, and that he had no objection whatever to its consideration at the night session.

Mr. HITCHCOCK. Mr. President, I make the point of order that this is not a debatable question.

Mr. SHAFROTH. Question!

Mr. SMOOT. I ask for the yeas and nays.

The VICE PRESIDENT. The yeas and nays are called for. Is the request seconded?

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on making the Porto Rican bill the special order for 8 o'clock to-night. The yeas and nays have been ordered, and the Secretary will call the roll.

Mr. COLT (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. SAULSBURY]. In his absence, I withhold my vote.

Mr. JONES (when his name was called). The junior Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness. I am paired with him for the day, and therefore withhold my vote on this motion. I will let this announcement stand for the remainder of the day.

Mr. MYERS (when his name was called). I have a pair with the Senator from Connecticut [Mr. McLEAN], who is absent. I transfer that pair to the Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. OVERMAN (when his name was called). I have a general pair with the junior Senator from Wyoming [Mr. WARREN] and therefore withhold my vote.

Mr. THOMPSON (when his name was called). I have a pair with the Senator from Illinois [Mr. SHERMAN]. In his absence, I transfer that pair to the Senator from Oklahoma [Mr. GORE] and vote "yea."

Mr. TILLMAN (when his name was called). Making the same transfer of my pair as on the last vote, I vote "yea."

Mr. VARDAMAN (when his name was called). I desire to inquire if the Senator from Idaho [Mr. BRADY] has voted?

The VICE PRESIDENT. The Chair is informed that he has not voted.

Mr. VARDAMAN. I have a pair with that Senator, and therefore withhold my vote in his absence.

Mr. WADSWORTH (when his name was called). I inquire if the junior Senator from New Hampshire [Mr. HOLLIS] has voted?

The VICE PRESIDENT. The Chair is informed that he has not voted.

Mr. WADSWORTH. I have a pair with that Senator, and therefore withhold my vote.

The roll call was concluded.

Mr. LA FOLLETTE. I wish to announce that the Senator from Minnesota [Mr. CLAPP] and the Senator from North Dakota [Mr. GRONNA] are both paired and are detained on business connected with the Committee on Indian Affairs.

Mr. LEWIS. I wish to announce the absence of the Senator from Maryland [Mr. SMITH] and his pair with the Senator from Vermont [Mr. DILLINGHAM].

Mr. BECKHAM (after having voted in the affirmative). I transfer my pair with the senior Senator from Delaware [Mr. DU PONT] to the junior Senator from Arkansas [Mr. KIRBY] and will let my vote stand.

Mr. SMITH of Michigan (after having voted in the affirmative). I transfer my pair with the Senator from Missouri [Mr. REED] to the junior Senator from Maine [Mr. FERNALD] and will permit my vote to stand.

Mr. CURTIS. I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the senior Senator from Idaho [Mr. BORAH] and vote "yea."

I desire to announce the absence of the Senator from Connecticut [Mr. McLEAN] on account of illness and will let this announcement stand for the day.

I also desire to announce the following pairs:

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN];

The Senator from New Mexico [Mr. CATRON] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Wyoming [Mr. CLARK] with the Senator from Missouri [Mr. STONE].

Mr. O'GORMAN. I have a general pair with the senior Senator from New Hampshire [Mr. GALLINGER] and in his absence withhold my vote.

Mr. SAULSBURY. I inquire if the junior Senator from Rhode Island [Mr. COLT] has voted?

The VICE PRESIDENT. He has not.

Mr. SAULSBURY. I have a pair with that Senator, and therefore withhold my vote.

Mr. WILLIAMS. I am paired with the senior Senator from Pennsylvania [Mr. PENROSE]. Transferring that pair to the Senator from Maryland [Mr. LEE], I vote "yea."

The roll call resulted—yeas 50, nays 3, as follows:

YEAS—50.

Ashurst	Husting	Oliver	Sterling
Beckham	James	Page	Sutherland
Brady	Johnson, S. Dak.	Phelan	Thomas
Brandegge	Kenyon	Pittman	Thompson
Broussard	Kern	Polindexter	Tillman
Chamberlain	La Follette	Ransdell	Townsend
Chilton	Lewis	Robinson	Underwood
Curtis	Lippitt	Shafroth	Waish
Fall	Lodge	Sheppard	Watson
Fletcher	McCumber	Smith, Ga.	Weeks
Harding	Martin, Va.	Smith, Mich.	Williams
Hitchcock	Martine, N. J.	Smith, S. C.	
Hughes	Nelson	Smoot	

NAYS—3.

Myers	Norris	Pomerene	
		NOT VOTING—43.	
Bankhead	Fernald	Lea, Tenn.	Shields
Borah	Gallinger	Lee, Md.	Simmons
Bryan	Goff	McLean	Smith, Ariz.
Catron	Gore	Newlands	Smith, Md.
Clapp	Gronna	O'Gorman	Stone
Clark	Hardwick	Overman	Swanson
Colt	Hollis	Owen	Vardaman
Culberson	Johnson, Me.	Penrose	Wadsworth
Cummins	Jones	Reed	Warren
Dillingham	Kirby	Saulsbury	Works
du Pont	Lane	Sherman	

The VICE PRESIDENT. On the motion of the Senator from Colorado [Mr. SHAFROTH] the yeas are 50, the nays are 3, which is two-thirds and more. H. R. 9533, the Porto Rican civil government bill, is made the special order for 8 o'clock this evening.

Mr. SHAFROTH subsequently said: Mr. President, I move that at 5.30 this afternoon the Senate take a recess until 8 o'clock to-night.

The motion was agreed to.

The VICE PRESIDENT. Is there any further morning business? [A pause.] The morning business is closed.

INDIAN APPROPRIATIONS.

Mr. ASHURST. I ask unanimous consent that the Senate proceed to the consideration of the Indian appropriation bill.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 18453) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1918.

The SECRETARY. The point last reached in the bill is at the foot of page 53, where the amendments of the committee was passed over. It reads as follows:

*Provided further*, That after the lands have twice been offered for sale at public auction the Secretary of the Interior, under rules and regulations to be prescribed by him, shall cause to be sold to the highest bidder, in such manner and upon such terms as he may deem advisable, the surface of any lands remaining unsold and of any surface lands forfeited by reason of nonpayment of any part of the purchase price.

Mr. ASHURST. Mr. President, this item in the bill was passed over at the request of the Senator from Oregon [Mr. LANE].

Mr. LANE. Mr. President, I ask that the amendment be further passed over.

Mr. ASHURST. The Senator asks that it go over further, and I join in that request.

The VICE PRESIDENT. The amendment will be again passed over.

The reading of the bill was resumed.

The next amendment was, on page 54, line 17, before the word "Tribes," to strike out "and Chickasaw" and insert "Chickasaw, and Creek," so as to make the clause read:

*Provided further*, That during the fiscal year ending June 30, 1918, no moneys shall be expended from tribal funds belonging to the Five civilized Tribes, without specific appropriation by Congress, except as follows: Equalization of allotments, per capita and other payments authorized by law to individual members of the respective tribes, tribal and other Indian schools for the current fiscal year under existing law, salaries and contingent expenses of governors, chiefs, assistant chiefs, secretaries, interpreters, and mining trustees of the tribes for the current fiscal year at salaries at the rate heretofore paid, and attorneys for the Choctaw, Chickasaw, and Creek Tribes employed under contract approved by the President, under existing law, for the current fiscal year.

The amendment was agreed to.

The next amendment was, at the top of page 57, to insert:

That the sum of \$5,000 be, and the same is hereby, appropriated, out of any funds of the Chickasaw Nation not otherwise appropriated, to reimburse Douglas H. Johnston, governor of the Chickasaw Nation, for extra expense incurred for performance of his duty as chief executive of the Chickasaw Nation and principal chief of the Chickasaw Tribe of Indians during the period covered between the years 1907 and 1912.

The amendment was agreed to.

The next amendment was, on page 57, after line 9, to insert:

Hereafter no allotments shall be made to members of the Creek Nation without specific authority of Congress.

The amendment was agreed to.

The next amendment was, on page 57, after line 20, to strike out:

For support and education of 600 Indian pupils, including native Indian pupils brought from Alaska, at the Indian school, Salem, Oreg., including pay of superintendent, \$102,200; for general repairs and improvements, \$30,000; in all \$132,200.

And to insert:

For support and education of 600 Indian pupils, including native Indian pupils brought from Alaska, at the Indian school, Salem, Oreg., including pay of superintendent, \$102,200; for general repairs and improvements, \$20,000; for new buildings, including dairy barn, printing office, employees' quarters and cottages, and addition to hospital, \$40,000; in all, \$162,200.

The amendment was agreed to.

The next amendment was, on page 58, after line 15, to insert:

For the construction of the Modoc Point extension project, to irrigate approximately 2,135 acres upon the Klamath Indian Reservation, in accordance with the plans submitted by the chief engineer in the Indian Service and approved by the Commissioner of Indian Affairs and the Secretary of the Interior, \$29,000, reimbursable, as provided for the Modoc Point project in the act of March 3, 1911.

The amendment was agreed to.

The next amendment was, on page 58, after line 23, to insert:

For the purchase of a tract or tracts of land on the Columbia River, for the purpose of providing fishing grounds for the Warm Springs and other middle Oregon tribes, not to exceed \$5,000, to be immediately available.

The amendment was agreed to.

The next amendment was, on page 59, after line 2, to insert:

That the Secretary of the Interior is hereby authorized to make allotments to any living Indians on the Umatilla Reservation, Oreg., of not exceeding 80 acres to each person entitled to rights thereon but who have not heretofore been allotted, so long as any of the lands within said reservation remain available for the purpose, and to issue trust patents for the selections so made in accordance with the act of February 8, 1887 (24 Stat. L., p. 388), as amended; such allotments to be made under such rules and regulations as the Secretary of the Interior may prescribe.

The amendment was agreed to.

The next amendment was, under the head of "South Dakota," on page 60, after line 3, to strike out:

Sec. 20. For support and education of 365 Indian pupils at the Indian school at Flandreau, S. Dak., and for pay of superintendent, \$62,955; for general repairs and improvements, \$8,000; for new barn, \$3,000; in all, \$73,955.

And to insert:

Sec. 21. For support and education of 365 Indian pupils at the Indian school at Flandreau, S. Dak., and for pay of superintendent, \$62,955; for general repairs and improvements, \$8,000; for girls' industrial building, \$10,000; for new barn, \$3,000; in all, \$83,955.

Mr. SMOOT. Mr. President, I notice that the Senate amendment provides an additional appropriation of \$10,000 for a girls' industrial building. Can the Senator having the bill in charge apprise the Senate as to what immediate necessity there is for this building?

Mr. ASHURST. Adverting to page 264 of the House hearings, I quote from the assistant commissioner as follows:

There is needed \$10,000 for a girls' industrial building, large enough to properly house the domestic-science department and also for quarters for the general sewing room. The present quarters are entirely too small, only two rooms being now available in addition to a poorly lighted basement room.

The statement before the Senate committee was to the effect that this was a necessary expenditure for a girls' industrial building large enough so that they would be equipped with facilities for learning domestic science.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment was, on page 60, line 19, after "\$4,000," to strike out "in all, \$53,750," and insert "for two new busses, \$900; in all, \$54,650," so as to make the clause read:

For support and education of 250 Indian pupils at the Indian school at Pierre, S. Dak., including pay of superintendent, \$43,750; for general repairs and improvements, \$6,000; for new boiler and boiler stack and installation thereof, \$4,000; for two new busses, \$900; in all, \$54,650.

The amendment was agreed to.

The next amendment was, on page 60, line 24, after the word "remodeling," to strike out "building" and insert "buildings," so as to make the clause read:

For support and education of 275 Indian pupils at the Indian school, Rapid City, S. Dak., including pay of superintendent, \$47,925; for general repairs and improvements, \$5,000; for remodeling buildings, \$9,000; for construction and repair of road through school farm, \$4,000; for irrigation, drainage, and improving school farm, \$3,000; in all, \$68,925.

The amendment was agreed to.

The next amendment was, on page 62, after line 2, to insert:

For acquiring, constructing, or enlargement and equipment of school buildings on the following reservations: Crow Creek, Pine Ridge, Rosebud, Standing Rock, Yankton, Sisseton, Lower Brule, and Cheyenne River, \$300,000; *Provided*, That after the school buildings herein provided for are established and equipped no money shall be appropriated out of the Treasury of the United States for the education of Indian children in sectarian schools.

The amendment was agreed to.

The next amendment was, on page 62, after line 10, to strike out:

For subsistence and civilization of the Yankton Sioux, South Dakota, including pay of employees, \$14,000.

And insert:

For subsistence and civilization of the Yankton Sioux, South Dakota, including pay of employees, \$14,000; for the erection of a barn at Ravinia, S. Dak., for sheltering Indian teams, \$2,000, of which sum not to exceed \$300 shall be expended for a suitable site; in all, \$16,000.

The amendment was agreed to.

The next amendment was, on page 62, line 23, after "\$60,000," to insert "to repair and improve the road leading from the said asylum for insane Indians to the city of Canton, S. Dak., \$7,500; in all, \$67,500," so as to make the clause read:

For the equipment and maintenance of the asylum for insane Indians at Canton, S. Dak., for incidental and all other expenses necessary for its proper conduct and management, including pay of employees, repairs, improvements, and for necessary expense of transporting insane Indians to and from said asylum, \$60,000; to repair and improve the road leading from the said asylum for insane Indians to the city of Canton, S. Dak., \$7,500; in all, \$67,500.

The amendment was agreed to.

The next amendment was, at the top of page 63, to insert:

For compensation of Fast Walker, D. K. How, and Not Afraid of Bear, all of the Crow Creek Reservation, S. Dak., for services rendered while acting as scouts under Gen. Sully and Lieut. Col. John Pattee in the year 1863, the sum of \$150 each; in all, \$450.

Mr. SMOOT. Mr. President, I should like to have the Senator explain why this claim should be put upon the appropriation bill. I see that it is stated that the service was rendered in 1863.

Mr. ASHURST. In response to the question propounded by the Senator from Utah I would respectfully call his attention to page 25 of the report of the committee. While it is true that this is a claim, it is the only claim on the bill that is to be paid out of the Federal Treasury. All the other claims, if I construe them correctly—and I think I do—are to be paid out of various Indian funds at the request of the Indians. The Secretary of the Interior sent a somewhat lengthy but complete explanation of this item, and I ask the Secretary to read at this time the report of the Secretary of the Interior on this particular item.

Mr. SMOOT. Does the Senator know whether this is the first time that this claim has been presented to Congress?

Mr. ASHURST. This is the first time it has been presented since I have been a member of the Indian Affairs Committee. It was presented by the Senator from South Dakota [Mr. Johnson], who is very familiar with it, and who vouched for its accuracy; and it is also agreed to by the Secretary of the Interior. I should like to have the letter of the Secretary read.

The VICE PRESIDENT. In the absence of objection, the Secretary will read as requested.

The Secretary proceeded to read the letter, and was interrupted by

Mr. ASHURST. The letter is very lengthy and I ask that the remainder of it be included in the Record without reading. I

call specific attention to a paragraph on page 27 in this same letter, as follows:

From the facts presented it appears to me that for their services as scouts during the year 1863, covering the time above estimated, these Indians are entitled to compensation from the Government, and I would recommend that Fast Walker, Don't Know How, and Not Afraid of Bear be each allowed \$150.

Mr. SMOOT. That is the position of the Secretary of the Interior?

Mr. ASHURST. I have read next to the last paragraph of the Secretary's letter.

The letter entire is as follows:

DEPARTMENT OF THE INTERIOR,  
Washington, December 14, 1916.

MY DEAR SENATOR: In further reply to your letter dated April 26 relative to S. 5648, authorizing an investigation of the claims of Fast Walker and other members of the Yankton Sioux Tribe and the Two Kettle Band of the Cheyenne River Reservation, S. Dak., for services performed as scouts in 1863, you are advised that this matter has been taken up with the superintendents of the different Sioux Indian reservations for the securing of data on this subject.

The delay in making a final report on this bill has been occasioned by the difficulty in securing definite information relative to the Indians involved and the length of time which these Indians have allowed to elapse before putting in their claim for money due them for their services as scouts during the year 1863.

On taking this matter up with the War Department the Assistant Secretary of War reported that their records showed no Indian scouts enlisted in the Regular Army during the year 1863. A list, however, was inclosed with his communication giving the names of the Indians employed in the Quartermaster's Department with the Army operating in the Sioux Indian campaign in Minnesota and Dakota from the years 1863 to 1866, showing that these Indians received pay for their services. The name of Fast Walker, the Indian mentioned in S. 5648, is not included in the list above mentioned, but the other name under which he sometimes went, namely, Rattling Stone Walker, might possibly be the one mentioned in the list as being employed from September 15 to October 10 as a scout, for which he was paid \$3 per day.

In his testimony, copy of which is herewith attached, given before the superintendent of the Crow Creek Indian Reservation, Fast Walker claimed to have received \$80 from either Gen. Sibley's clerk or some other person in his employ. Apparently he received this, according to his testimony, for acting as a guide to Gen. Sibley on a trip to Fort Sisseton. This \$80 might have been the payment mentioned as being made to Rattling Stone Walker during the fall of 1863, according to the War Department records, as, according to Fast Walker's testimony, it appeared that he entered the service of the Army in the fall of 1862, and served at least one year.

From Fast Walker's testimony and that of D. K. How (Don't Know How), both of whom claim pay for services rendered, it would appear that Col. Pattee, mentioned in S. 5648, hired these Indians to act as scouts during the fall of 1862 through the head man of their tribe, and that Gen. Sully was in command over Col. Pattee at that time. If these Indians were hired simply by Col. Pattee, making arrangements with the head man of their tribe, and no enlistment papers were furnished them, it would seem very plausible that their names might not have been entered on the Army records, and that they were simply carried as irregular scouts, their names not even appearing on the quartermaster's records as Army employees.

Senate bill 5648 was taken up with the superintendents of the Yankton, Cheyenne River, Lower Brule, Rosebud, and Crow Creek Indian schools to ascertain if there were any Sioux Indians under their jurisdiction who had rendered services to the Government as scouts during the year 1863, for which they had received no pay. The bands of Sioux mentioned in the bill in question would be apparently under the Cheyenne River, Crow Creek, or Yankton superintendencies.

The Cheyenne River superintendent reported that nothing could be learned of any scouts living on his reservation who served under Gen. Sully or Lieut. Col. Pattee during the year 1863. Copies of the superintendent's correspondence are inclosed herewith.

On taking the matter up with the Yankton superintendent, he advised that an Indian named Paul Highrock claimed to have rendered certain services as scout during the early sixties to the Government, but on investigation it was discovered that he and 50 other Yankton Sioux Indian scouts were paid \$75 in the fall of 1878, and \$225 under authority of Congress (act of Aug. 15, 1894, 28 Stat., 317), and that he had no claim against the Government for services rendered.

The Lower Brule superintendent advised that he took the subject of the bill up in council with the old men of the tribe, and that no one there knew of any Indian who served as a scout for the Government at the time stated in the bill or under one of the officers named.

The supervisor in charge of the Rosebud Reservation advised that he sent a copy of the bill in question with a circular letter to all the district farmers on his reservation and to the members of the Rosebud tribal council, calling on all persons knowing any of the Indians mentioned in the bill to report same to his office. No names were submitted and no Indians made claim for services such as would bring them within the claim mentioned in said bill. He is of the opinion that there are no Indians on the Rosebud Reservation who would come within the scope of the bill. This is a very large reservation, involving an area of 1,715,231 acres and having under its supervision approximately 5,500 Indians. In view of the large territory involved and the number of Indians, the above plan had to be followed by the supervisor in trying to secure the information desired.

The superintendent of the remaining Sioux Agency of the five above mentioned, namely, Crow Creek, made an exhaustive investigation of the matter, due to the fact that Fast Walker, the Indian mentioned in S. 5648, lived on his reservation. The superintendent reports that, so far as he has been able to determine, out of the 26 Indians who served as scouts during the fall of 1862 and possibly later from the Lower Yankton Sioux Tribe, only 3 are living, namely, Fast Walker, D. K. How (Don't Know How), both above mentioned, and Not Afraid of Bear.

On going over the testimony secured by the superintendent of the Crow Creek Reservation from the three Indians named above, it appears that these men were very young when the Sioux campaign under Gen. Sully took place, and that they enlisted in the fall of 1862 and served until some time the following summer of 1863. These Indians claim that they were members of a band of scouts who rescued

Mrs. Duly, her six children, and a Mrs. Wright, who had been captured by hostile Santees in the fall of 1862. Copy of their testimony is inclosed. Inspector James McLaughlin, who was in the vicinity of Crow Creek Agency in the spring of 1863, states that these Indians did not participate in the rescue in question and that all the members of said rescue party are dead. There is inclosed herewith an extract made from notes in one of the inspector's memorandum books relative to Chief Madbear's statement regarding the rescue in question and the participants.

During the next spring the above-mentioned three Indians claimed to have escorted Gen. Sully up to what is now Bismarck, N. Dak., on his way to Montana. They also claim to have killed some hostile Santee Indians in connection with their scout duty.

From the report of the superintendent of the Crow Creek School and the facts brought out in the direct examination of the Indians above mentioned, it would appear that these Indians probably did act as scouts for a time in the Army, approximately four months, during the spring and summer of 1863.

From the facts presented, it appears to me that for their services as scouts during the year 1863, covering the time above estimated, these Indians are entitled to compensation from the Government, and I would recommend that Fast Walker, Don't Know How, and Not Afraid of Bear be each allowed \$150.

There are inclosed herewith copies of correspondence between the Commissioner of Indian Affairs and certain of the superintendents, together with copies of communication from the War Department, for your information.

Cordially, yours,

FRANKLIN K. LANE,  
Secretary.

HON. HENRY F. ASHURST,

Chairman Committee on Indian Affairs,  
United States Senate.

Mr. SMOOT. Mr. President, I do know this: That there are thousands and thousands of claims made against the Government of the United States for services rendered in 1863, 1864, and 1865, not particularly of Indians but of white people all over the United States. All those claims are sent to the Court of Claims, and that is the proper place for them to go. The Court of Claims would gather whatever evidence there is in the case; but to put a private claim upon an appropriation bill is not the proper course to pursue, in my opinion.

If the Senator from South Dakota knows anything personally about this matter, I should like to have him state it to the Senate, but there is no more necessity and there is no more justice in putting this private claim upon this appropriation bill than there is in taking up on an appropriation bill all the old post-office claims in the South, and all the other claims for the destruction of property during the Civil War and claims for services given to the Government during that period of our history.

Unless there is some good reason why I should not do so I desire to make a point of order against the amendment. I should like to hear what the Senator from South Dakota has to say before I make the point of order.

Mr. JOHNSON of South Dakota. Mr. President, this is a matter that I am not personally familiar with. The letter of the Secretary of the Interior, which has been read in part, explains the matter more fully than I could do it.

The fact remains, however, that on the Crow Creek Reservation it is universally conceded that these men performed the duties for which they ask this small compensation for their services during that time. In all probability the reason why their names did not appear on the Army roll was because they were acting as special scouts, or something of that kind, during the time of the war.

The sum involved is so small and insignificant that while I realize the position the Senator from Utah takes in regard to such an appropriation on an appropriation bill I hope he will not raise a point of order on this small item.

Mr. SMITH of Georgia. The trouble is, if the Senator will allow me, if we start with this small item what will be on us the next time? This will be cited as a precedent for introducing into the Indian appropriation bill the adjustment of claims of this kind and it will be that much harder to stop it the next time. If we could get through with it by making this appropriation of \$450, and would not start a precedent for more evil and more trouble, I do not know that I would especially object. I hope the Senator will consent to let it go over, and I hope the chairman of the committee will consent.

Mr. JOHNSON of South Dakota. I will consent to let the matter be passed over to-day.

Mr. SMOOT. I wish to ask the Senator if these Indians were in the service of the Government and in the Regular Army?

Mr. JOHNSON of South Dakota. I understand as scouts.

Mr. SMOOT. Then it seems to me there is not only the question of paying a claim of \$150, but if we pay this claim we acknowledge that they were in the Army. I can not see why they could not come and claim a pension as well, the service having been acknowledged by the payment of \$150. The amendment does not state how long they served; there is no record here from the department to show that they ever did serve, yet by this small amendment we acknowledge that they did this service in

1863, and I am not quite sure, I will say to the Senator, but that they could claim service in the Regular Army by this payment, which is virtually an acknowledgment of service, and base a pension claim upon the same. Has the Senator thought of that?

Mr. JOHNSON of South Dakota. No; I never have. They were in the service of the Regular Army, as I understand it, as advance scouts. Perhaps the Army Register may not show that they were in the service of the Army. They were, as I recall it, as scouts, and that would exclude the matter with regard to pensions, would it not?

Mr. SMOOT. I think if they were scouts in the Regular Army and did the service white men do they ought to have a pension; but I do not see how we are going to decide that by what little testimony we have here in allowing a claim for each one of them on an appropriation bill. I think it is a very bad precedent. I will say to the Senator I am perfectly willing that the amendment shall go over for the present and be considered later.

Mr. JOHNSON of South Dakota. That is satisfactory.

Mr. MYERS. Mr. President, does the Senator from Utah make a point of order against this item?

Mr. SMOOT. The Senator from South Dakota agrees that it shall be passed over.

Mr. MYERS. I do not believe that under Rule XVI a point of order would lie against the item, because this payment has been recommended. It has been moved by the direction of a standing committee of the Senate.

Mr. SMOOT. I suppose the Senator has not read paragraph 4 of that same rule. If he will read it, he will find it provides that—

No amendment, the object of which is to provide for a private claim, shall be received to any general appropriation bill unless it be to carry out the provisions of an existing law or a treaty stipulation.

Mr. MYERS. The Senator is correct about that.

Mr. SMOOT. I will let the amendment be passed over, Mr. President.

Mr. SMITH of Georgia. I think a point of order ought to be made on the amendment.

The VICE PRESIDENT. Does the Senator from Georgia make a point of order?

Mr. SMITH of Georgia. I do not object to passing it over.

Mr. SMOOT. I will make the point of order.

The VICE PRESIDENT. The point of order is sustained.

The next amendment was, under the head of "Utah," on page 63, line 8, to change the number of the section from "21" to "22."

The amendment was agreed to.

The next amendment was, under the head of "Washington," on page 65, line 10, to change the number of the section from "22" to "23."

The amendment was agreed to.

The next amendment was, on page 67, line 5, after the word "reservation," to strike out "\$200,000" and insert "\$300,000," so as to make the clause read:

For continuing construction and enlargement of the irrigation and drainage system, to make possible the utilization of the water supply provided for 40 acres of each Indian allotment on the Yakima Indian Reservation, Wash., and such other water supply as may be available or obtainable for the irrigation of a total of 120,000 acres of allotted Indian lands on said reservation, \$300,000, to remain available until expended: *Provided*, That the entire cost of said irrigation and drainage system shall be reimbursed to the United States under the conditions and terms of the act of May 18, 1916.

The amendment was agreed to.

The next amendment was, on page 67, after line 10, to insert:

That the patents heretofore issued as fee-simple patents under the homestead act of May 20, 1862 (12 Stat. L., 392), in the name of Charles Cleveland, May 2, 1905, for the south half of the southeast quarter, section 22, and the northeast quarter of the northeast quarter and lot No. 1, section 27, township 27 north, range 14 west, of the Willamette meridian; and a similar patent in the name of Henry Hudson, May 1, 1902, for the southeast quarter of the northeast quarter and the northeast quarter of the southeast quarter, section 21, and the southwest quarter of the northwest quarter, and the northwest quarter of the southwest quarter, section 22, township 27 north, range 14 west, of the Willamette meridian; and a similar patent in the name of Washington Howatt, September 26, 1902, for the southeast quarter of the northeast quarter, the north half of the southeast quarter, and the southeast quarter of the southeast quarter, section 23, township 27 north, range 14 west, of the Willamette meridian; and a similar patent in the name of Howard Wheeler, March 8, 1905, for the south half of the northeast quarter, and the north half of the southeast quarter, section 22, township 27 north, range 14 west, of the Willamette meridian; and a similar patent in the name of Jim Black, March 8, 1905, for the northwest quarter, section 24, township 27 north, range 14 west, of the Willamette meridian; and a similar patent in the name of Tommy Saux, May 2, 1905, for the southwest quarter of the southeast quarter, section 14, of the west half of the northeast quarter, and the northeast quarter of the northeast quarter, section 23, township 27 north, range 14 west, of the Willamette meridian; and a similar patent in the name of Tealas, March 8, 1905, for the southwest quarter, section 24, township 27 north, range 14 west, of the Willamette meridian; and a similar patent in the name of John Jackson, March 8, 1905, for the east half of the northwest quarter and the east half of the southwest quarter, section 22, township 27

north, range 14 west, of the Willamette meridian; and a similar patent in the name of Kate Jackson, widow of Peter Jackson, October 19, 1905, for the north half of the northeast quarter, and lots Nos. 1, 2, and 3, section 20, township 27 north, range 14 west, of the Willamette meridian; and a similar patent in the name of Thomas Paine, February 24, 1908, for the lots Nos. 11 and 12, section 1, township 27 north, range 13 west, of the Willamette meridian; and a similar patent in the name of Willes-sa, August 1, 1904, for the northeast quarter of the southeast quarter, and lot No. 1, section 21, and the northwest quarter of the southwest quarter, and lots Nos. 6 and 7, section 22, township 28 north, range 14 west, of the Willamette meridian; and a similar patent in the name of Robert Smith, October 5, 1907, for the south half of the southeast quarter, and the northeast quarter of the southeast quarter, section 20, township 16 north, range 4 east, of the Willamette meridian; and a similar patent in the name of William Ponier, June 8, 1903, for the northwest quarter, section 20, township 16 north, range 4 east, of the Willamette meridian; and a similar patent in the name of Wapato Charley for the west half of the northeast quarter and the northeast quarter of the northwest quarter of section 19, township 23 north, range 20 east, of the Willamette meridian, all situated in the State of Washington, be, and the same are hereby, ratified and confirmed as of their dates of issuance.

The amendment was agreed to.

The next amendment was, under the head of "Wisconsin," on page 70, line 11, to change the number of the section from "23" to "24"; and, in line 13, after the word "superintendent," to insert "at \$1,650," so as to make the clause read:

SEC. 24. For the support and education of 250 Indian pupils at the Indian school at Hayward, Wis., including pay of superintendent, at \$1,650, \$43,200; for general repairs and improvements, \$8,000; in all, \$51,200.

The amendment was agreed to.

The next amendment was, on page 70, line 24, after the word "employees," to strike out "\$7,000" and insert "\$9,000," so as to make the clause read:

For support and civilization of the Chippewas of Lake Superior, Wis., including pay of employees, \$9,000.

The amendment was agreed to.

The next amendment was, at the top of page 72, to strike out:

The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States, in his discretion, the sum of \$300,000, or so much thereof as may be necessary, of the tribal funds of the Menominee Indians in Wisconsin, arising under the provisions of the acts of June 12, 1890 (26 Stat. L., p. 146), and March 28, 1908 (35 Stat. L., p. 51), and to expend the same in the clearing of land, the erection of sanitary homes, and the purchase of building material, seed, teams, farming equipment, dairy stock, machinery, tools, implements, and other equipment and supplies necessary to enable said Indians to become self-supporting under such regulations as he may prescribe: *Provided*, That no lands shall be cleared for agricultural purposes, pursuant to the foregoing provision, excepting such lands as have been heretofore completely and wholly cut over.

And to insert:

The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States, in his discretion, the sum of \$387,000, or so much thereof as may be necessary, of the tribal funds of the Menominee Indians in Wisconsin, arising under the provisions of the acts of June 12, 1890 (26 Stat. L., p. 146), and March 28, 1908 (35 Stat. L., p. 51), and to expend the same in the clearing of land, the erection of sanitary homes, and the purchase of building material, seed, teams, farming equipment, dairy stock, machinery, tools, implements, and other equipment and supplies necessary to enable said Indians to become self-supporting, under such regulations as he may prescribe: *Provided*, That no lands shall be cleared for agricultural purposes pursuant to the foregoing provision, excepting such lands as have heretofore had removed therefrom all merchantable timber: *Provided further*, That the funds herein authorized, together with the \$300,000 authorized by the Indian appropriation act approved May 18, 1916 (Public. No. 80, p. 38), may, in the discretion of the Secretary of the Interior, be apportioned on a per capita basis among all enrolled members of the Menominee Tribe, a per capita payment of \$50 to be made immediately after the passage of this act to each member of said tribe, and the remainder of the share of each Indian to be deposited to his or her credit and subject to expenditure under the regulations governing the handling of individual Indian money.

Mr. ASHURST. I am not certain, but it may be that the Senator from Wisconsin [Mr. LA FOLLETTE] has an amendment to propose at this point, and I ask that this particular paragraph may go over until he is able to come into the Chamber. He is now in attendance upon a committee.

The VICE PRESIDENT. The amendment will go over.

The next amendment was, under the head of "Wyoming," on page 74, line 19, to change the number of the section from "24" to "25."

The amendment was agreed to.

The next amendment was, on page 75, line 10, after the name "Wyoming," to strike out "including the maintenance and operation of completed canals, \$100,000," and insert "including the Big Wind River and Dry Creek Canals, and including the maintenance and operation of completed canals, \$150,000," so as to make the clause read:

For continuing the work of constructing an irrigation system within the diminished Shoshone or Wind River Reservation, in Wyoming, including the Big Wind River and Dry Creek Canals, and including the maintenance and operation of completed canals, \$150,000, reimbursable in accordance with the provisions of the act of March 3, 1905, and to remain available until expended.

The amendment was agreed to.

The reading of the bill was continued to line 21, page 75.

Mr. ASHURST. Before we take up the next item, which may be controverted, I ask that we recur to the item relative to the Menominee Indians in Wisconsin.

The VICE PRESIDENT. The amendment which was passed over will be stated.

The SECRETARY. The committee proposes to strike out from the House text from line 1 to line 18, on page 72, and to insert the matter printed in italics on pages 72 and 73.

Mr. LA FOLLETTE. For which I wish to offer a substitute.

The VICE PRESIDENT. The substitute will be read.

The SECRETARY. It is proposed to substitute for the part in italics the following:

The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States, in his discretion, the sum of \$387,000 of the tribal funds of the Menominee Indians in Wisconsin, arising under the provisions of the acts of June 12, 1890 (26 Stat. L., p. 146), and March 28, 1908 (35 Stat. L., p. 51), section 26 of the act of March 3, 1911 (36 Stat. L., p. 1076), and any acts amendatory thereof, and under such regulations as he may prescribe to expend the same to aid said Indians to fit themselves for or to engage in farming or such other pursuits or avocations as will enable said Indians to become self-supporting or in the case of the old, decrepit, or incapacitated members of the tribe for support: *Provided*, That in the case of those who engage in farming upon the Menominee Reservation, that prior to authorization to make expenditures for farming purposes upon lands not heretofore entirely cleared of all merchantable timber the Forest Service of the Indian Bureau shall make a survey of same and shall certify that such lands have been cut over and cleared of all merchantable timber, or that, if there be merchantable timber on such lands, that it is to the interest of the Menominee Indians and not detrimental to the Menominee Forest that such timber be removed, and that such Forest Service of the Indian Bureau shall also certify that the lands proposed to be cleared are not necessary to the preservation of the Menominee Forest and would be more valuable to the Menominee Indians if used for agricultural or grazing purposes; that any merchantable timber cut hereunder shall be disposed of in the manner provided by law for the disposition of timber cut upon the Menominee Reservation, and the authorization herein contained, in so far as it applies to the merchantable timber on said lands, shall not be construed so as to increase the total amount of said timber authorized to be cut in any one year: *Provided further*, That the funds herein authorized, together with the \$300,000 authorized by the Indian appropriation act approved May 18, 1916 (Public, No. 80, p. 38), may, in the discretion of the Secretary of the Interior, be apportioned on a per capita basis among all enrolled members of the Menominee Tribe, a per capita payment of \$50 to be made immediately after the passage of this act to each member of said tribe, and the remainder of the share of each Indian to be deposited to his or her credit: *Provided*, That the per capita share of each minor under 18 years of age in said sum so apportioned shall be deposited to the credit of the parent, guardian, or other person having the custody and care of said minor, the per capita share of such minors or the unexpended balance of same, when any such minors shall arrive at the age of 18 years, shall be withdrawn from the amount of the parent, guardian, or other person and deposited to the account of such minors. All deposits made to the credit of individual members of the Menominee Tribe, to parents, guardians, or other persons under the terms of this act shall be subject to expenditure under the regulations governing the handling of individual Indian money.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Wisconsin [Mr. LA FOLLETTE] to the amendment of the committee.

Mr. SMITH of Georgia. Will the Senator from Wisconsin explain to us just what that amendment does?

Mr. LA FOLLETTE. Mr. President, my amendment changes the amendment adopted by the committee in this respect: The amendment adopted by the committee and presented to the Senate limited the benefits to be derived from the Indian funds appropriated here to those Indians who might engage in farming upon the reservation.

Mr. SMITH of Georgia. It is simply a question of the use of Indian funds?

Mr. LA FOLLETTE. Oh, yes. It makes no appropriation from the Treasury.

Mr. SMITH of Georgia. And perfecting a plan to use such funds in the Senator's State as the Senator thinks best? I have not any objection to the amendment.

Mr. LA FOLLETTE. Mr. President, I observed after the amendment had been adopted by the committee that it limited the number of those who could participate in the fund to Indians who were engaged in farming upon the reservation. I am reliably informed that there are numbers of Indians who engage in other occupations and who are prosecuting them quite successfully. There are a number of merchants, for instance, who would have an equal right to share in this fund who are conducting a mercantile business of considerable proportions; there are other Indians who are members of this tribe who are civil engineers, who are teachers in schools, and many of them desire to take the normal course in the Wisconsin Normal School in order to prepare themselves for teaching. I think they ought to be permitted to share in this fund and to use it for preparing themselves for the vocations which they have elected to pursue. I therefore revised the amendment which the committee had adopted and submitted it to the Assistant Commissioner of Indian Affairs this morning. He made one suggestion, which I have adopted; and as presented to the Sen-

ate the amendment has the approval of the Indian Office through the Assistant Indian Commissioner. I will not take the time of the Senate further, Mr. President.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Wisconsin to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Indian Affairs was, on page 75, after line 21, to strike out:

SEC. 25. That until the meeting of the Sixty-fifth Congress those members of the Committee on Indian Affairs of the House of Representatives, not less than five in number, who are Members elect of the Sixty-fifth Congress are authorized to conduct hearings and investigate the conduct of Indian affairs by the Indian Bureau and other branches of the Indian Service at Washington, D. C., and elsewhere, and the sum of \$10,000, or so much thereof as may be necessary, is hereby appropriated for expenses incident thereto.

And to insert:

SEC. 26. For the purpose of making inquiry into conditions in the Indian Service, with a view to ascertaining any and all facts relating to the conduct and management of the Bureau of Indian Affairs, and of recommending such changes in the administration of Indian affairs as would promote the betterment of the service and the well-being of Indians, there is hereby constituted a commission to be known as the joint commission to investigate Indian affairs, to be composed of three Members of the Senate, to be appointed by the presiding officer of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker. That said commission be, and is hereby, directed, authorized, and empowered to examine into the conduct and management of the Bureau of Indian Affairs and all its branches and agencies, their organization and administration. The commission shall have power and authority to examine all books, documents, and papers in the said Bureau of Indian Affairs, its branches or agencies, relating to the administration of the business of said bureau, and shall have and is hereby granted authority to subpoena witnesses, compel their attendance, administer oaths, and to demand any and all books, documents, and papers of whatever nature relating to the affairs of Indians as conducted by said bureau, its branches and agencies. Said commission is hereby authorized to visit any Indian agency, school, institution, or other establishment under the jurisdiction and control of the Bureau of Indian Affairs or the Department of the Interior, and it shall be the duty of the Secretary of the Interior, the Commissioner of Indian Affairs, and all other officers connected with the administration of Indian affairs to aid the said commission and furnish all available information that may be demanded by said commission.

The investigation hereby provided for shall be conducted by said commission as speedily as possible, and the findings, conclusions, and recommendations of such commission shall be reported to Congress during the Sixty-fifth Congress. Said commission is hereby authorized to employ such clerical and other assistance, including stenographers, as said commission may deem necessary in the proper prosecution of its work: *Provided*, That stenographers so employed shall not receive for their services exceeding \$1 per printed page. The sum of \$20,000 is hereby appropriated to pay the expenses of the said commission. Within 10 days after the appointment of the said commission they shall proceed to elect a chairman and secretary, and the funds hereby appropriated shall be paid out on the order of such chairman and secretary, and a full itemized account of all such expenditures shall accompany the final report of the commission when submitted to Congress.

Mr. ASHURST. Mr. President, I feel that it is my duty to make some explanation of that proposed change. In section 25 of the bill it will be ascertained by adverting to page 75, line 22, that the following language came over from the other branch of Congress to this branch of Congress:

SEC. 25. That until the meeting of the Sixty-fifth Congress those members of the Committee on Indian Affairs of the House of Representatives, not less than five in number, who are Members elect to the Sixty-fifth Congress, are authorized to conduct hearings and investigate the conduct of Indian affairs by the Indian Bureau and other branches of the Indian Service, at Washington, D. C., and elsewhere, and the sum of \$10,000, or so much thereof as may be necessary, is hereby appropriated for expenses incident thereto.

I am not going to attempt to speak for the committee; the individual members of the committee are able to speak for themselves; but I will say that, upon a close reading of the paragraph, it will be ascertained that it is proposed that members of the Committee on Indian Affairs of the other House should have the power—and \$10,000 are appropriated for the expenditure—of conducting an investigation of the Bureau of Indian Affairs in Washington and elsewhere. It will also be observed that there is no provision made for the swearing of witnesses, for the taking of testimony, or for anything of that sort. It seemed to me to be a weak and inconclusive provision. The Committee on Indian Affairs of the Senate took the view that if an investigation were necessary and if the Committee on Indian Affairs were to investigate and to go upon various reservations they should have the power to subpoena witnesses, that they should have the power and should have the authority to reduce to writing the testimony adduced. Hence the Senate Committee on Indian Affairs drafted the language which appears in the Indian appropriation bill which was approved June 30, 1913, creating a joint commission on Indian affairs, to be composed of three Representatives, to be appointed by the Speaker of the House of Representatives, and three Senators, to be appointed by the Vice

President of the United States, the presiding officer of the Senate.

Speaking for myself, and for myself alone, I do not see any necessity for such an investigation. I do not see any necessity for either the House provision or the committee provision being incorporated into the law. If, however, the Senate wishes to incorporate either provision I shall very cheerfully join with the Senate, because I do not wish to occupy the attitude that there should be no investigation. I have now made my individual position known. I repeat, that I know of no necessity for this proposed investigation, but if there should be an investigation I am sure the Senate of the United States should have some representation upon the investigating committee. I think I have stated the facts that ought to be stated to the Senate.

Mr. SMOOT. Mr. President, I should like to ask the Senator what was the impelling force that induced the committee to strike out the House provision and amend it by the Senate provision as contained in section 26?

Mr. ASHURST. As will be discovered, of course, upon a close reading of section 25 as it came to this body, it provided:

That until the meeting of the Sixty-fifth Congress those members of the Committee on Indian Affairs of the House of Representatives, not less than five in number, who are Members elect to the Sixty-fifth Congress.

Mr. SMOOT. I followed what the Senator said, and that provision is printed in the bill.

Mr. ASHURST. The House provision gave them the power and authority to make investigations of the Bureau of Indian Affairs in Washington, and to go upon the various reservations.

Mr. SMOOT. Do I understand—

Mr. ASHURST. Just a moment, if the Senator please. The reason which induced the Senate committee, in my judgment, to make the amendment was this: If the necessity exists for an investigation—which we do not admit or concede—surely the commission should be composed of Senators as well as Members of the other House, and surely it should have the power to subpoena witnesses and reduce the testimony of those witnesses to writing. The reason for the adoption of the Senate amendment to me seems very clear, because under the House provision no authority is granted to reduce the testimony to writing, although possibly that power might be implied from the language of the bill. It is not, however, expressly given, and it is a matter of grave doubt now whether or not, even with the Senate committee language, such a joint commission would have the power to enforce the attendance of a witness, compel him to testify, and subject him to the pains and penalties of perjury if willfully he testified falsely. So the Senate committee endeavored to strengthen the provision as best it could.

Mr. SMOOT. Well, let me ask the Senator was he in favor of the Senate provision?

Mr. ASHURST. I was.

Mr. SMOOT. The Senator's statement, as it seemed to me, was not so strong that I would want to move that the Senate committee amendment be disagreed to, although I take it for granted from what the Senator said that he would rather like such a motion to be made; but, nevertheless, if the Senator thinks the Senate committee amendment is far preferable to the House provision, and that if we accept the Senate committee amendment and in conference it should finally be decided to have an investigation, the Senate committee amendment would provide for an investigation that is worth while—if that is the Senator's position, then we ought to keep the section in.

Mr. ASHURST. That is my attitude. Of course, the House of Representatives is the grand inquest of the Nation; it is the inquisitorial body; but the Senate committee did not wish out of hand to refuse to agree to the House provision, and substituted as we thought the best language that we could find, and, I repeat, adopted the language providing for the old joint commission of 1913.

The VICE PRESIDENT. Without objection, the amendment reported by the committee is agreed to. The first amendment passed over will be stated.

The SECRETARY. The first amendment passed over in the bill will be found on page 25, beginning on line 9.

Mr. SMOOT. Mr. President, there are a number of Senators who desire to be present when the reconsideration of the amendments passed over occurs, and it is for that reason that I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Chamberlain	Curtis	Gronna
Borah	Chilton	Dillingham	Harding
Brady	Clapp	Fall	Hitchcock
Brandegee	Culberson	Fletcher	Hollis
Bryan	Cummins	Gallinger	Hughes

Husting	Norris	Robinson	Thomas
James	O'Gorman	Saulsbury	Tillman
Johnson, Me.	Oliver	Shafroth	Underwood
Johnson, S. Dak.	Overman	Sheppard	Vardaman
Jones	Page	Smith, Ga.	Wadsworth
Kenyon	Phelan	Smith, Md.	Walsh
Lane	Pittman	Smoot	Watson
McCumber	Poindexter	Sterling	Weeks
Martin, Va.	Ransdell	Sutherland	Williams

The VICE PRESIDENT. Fifty-six Senators have answered to the roll call. There is a quorum present.

The SECRETARY. The first amendment passed over will be found on page 25, beginning on line 9. The item reads as follows:

For support and education of 100 Indian pupils at the Fort Bidwell Indian School, California, including pay of superintendent, \$18,200; for general repairs and improvements, \$3,500.

At this point is the committee amendment, which, on line 12, proposes to strike out the words "in all, \$21,700" and to insert "for new school building, \$12,000; in all, \$33,700."

Mr. GRONNA. Mr. President, the other day, when we had this item under consideration, I made a statement which I think was not absolutely accurate. These Indians did, some years ago, receive allotments; but they were located upon lands that are very poor. Only a very small portion of the land can be irrigated, and only a very small portion of the land is fit for agriculture.

I wish to read for the information of the Senator from Utah [Mr. Smoot], who opposes this item so strongly—

Mr. SMOOT. No, Mr. President; the Senator from Utah simply wanted to learn the reasons why the new school building should be erected.

Mr. GRONNA. I will put it in this way, then: I shall be glad to give the Senator from Utah the information which he would like to have. I read from the thirty-third annual report of the Indian Rights Association. These men went out on nearly all the western reservations and made a thorough investigation of conditions among all these Indians; and I read from page 20 with reference to the Fort Bidwell school:

This agency is now in charge of French Gilman, who did such good work for many years on the Pima Reservation, in Arizona. There is no reservation except the 300 acres set apart for agency and school purposes. Mr. Gilman has about 700 Indians under his jurisdiction, and they are scattered throughout Modoc County, which is 75 miles square. There is a boarding school at the agency, with a capacity of 100 pupils, and three day schools scattered over Modoc County, the one at Alturas being built by the Indians themselves.

These Indians were allotted individual tracts of land in 1891 and in 1894, and although 64,000 acres of land were parceled out to them, not more than 8,000 acres are of any value agriculturally, and then only when there is water for irrigation; but as that important element is lacking, the possible arable land is practically useless. Most of the allotments are in the hills, covered with rocks. One could readily believe that the allotting agent merely assigned to the Indians various tracts from a plat while seated in an office, and that he either did not know, or did not care, whether the selections were good or bad. If these Indians are to make any real progress, the land question must be readjusted. Nearly all the able-bodied men are willing and anxious to work, but the employment that is open to them, on the various valley ranches, lasts only three or four months each year. Then it is a struggle for existence for the remainder of the year.

Then the commission goes on and speaks about the living conditions of those Indians, and about their school facilities.

Mr. LANE. Mr. President, I should like to ask the Senator if they found the living conditions to be good?

Mr. GRONNA. I will say to the Senator from Oregon that the living conditions were very bad, and what was true of the living conditions was also true of the facilities for schools. I do not know of a school anywhere in the country where an appropriation is needed any more than it is in this school. These poor Indians, scattered as they are all over that country, are not tramps in the ordinary sense of the word. They are willing to work, but they are poor, and it is the duty of the United States Government to look after them, regardless of whether they have a reservation or not. I know that when the Senator from Utah and other Senators who are in favor of economy—and that is commendable, of course—know the circumstances of both these schools in California they will not oppose this appropriation. The committee may have failed in many instances to do its full duty in getting all the information necessary, but let us remember that dealing with Indians is not the same as dealing with the white people of the United States, and let us not forget that much of the bloodshed that has been caused in the western countries was caused merely because of the narrow-mindedness of men who were then holding seats in this body.

Why, sir, I can recall, when I was a mere boy, when the Indian outbreak occurred in southern Minnesota when 300 white people were murdered in the immediate vicinity where I lived; and why? Because the Congress of the United States refused to give to them what it actually owed them under treaty stipulations. More than 300 white people, as I say, were murdered at that time near my home. From time to time we have taken

possession of lands which belonged to these people. They were here before we were here. For the Congress of the United States to say that we are unwilling at this time to appropriate small amounts of money for the civilization and education of the Indians is wrong, and it can not be justified by anyone.

Mr. LANE. Mr. President—

The PRESIDING OFFICER (Mr. HUSTING in the chair). Does the Senator from North Dakota yield to the Senator from Oregon?

Mr. GRONNA. I do.

Mr. LANE. I should like to ask the Senator if he really and truly thinks we are civilizing them now, or educating them very much?

Mr. GRONNA. I will say to the Senator from Oregon—I know how deeply interested he is in the Indian question, and I think I might say that I agree with him in many of the amendments which he has suggested—that the Indians of this country have made progress.

The Senator from Oregon has been in the committee as well as I have, and he has heard the plea of those Indians as I have heard it; and I think we all agree that the untutored aborigines, unschooled in the arts and uneducated in letters according to our mode of civilization, is honest, courageous, and we all realize that the Indian is a man who has brains. I think the committee realizes that if their affairs had been left to the Indians in some instances they would have been better off than they are now. That may be true; but this is the condition, Mr. President: We have set aside certain reservations, certain small portions of the land that belonged to them. We have said that the Secretary of the Interior shall have jurisdiction over these unfortunate men. We say by law "You shall do thus and so," and it is not the fault of the Indian Office; it is not the fault of the Secretary of the Interior; it is the fault of Congress. Congress, sir, is responsible for many of the mistakes that have been made, because we place limitations upon these appropriations. We prescribe what shall be done with this money; and it is unfortunate, I say, to criticize the men who are holding these official positions. They, of course, have their limitations.

Mr. JOHNSON of South Dakota. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Dakota?

Mr. GRONNA. Yes; I yield.

Mr. JOHNSON of South Dakota. I should like to ask the Senator from North Dakota if he does not think the laws Congress has passed with regard to the government of the Indians emanate largely from the Indian Bureau?

Mr. GRONNA. That may be true, Mr. President; and I do not approve of everything that has been done. The Senator from South Dakota knows that I have objected to many things that have been presented in the committees; but these men have been selected, and until Congress adopts a better system than the one we have now I say this wholesale criticism upon certain men is unwarranted. I think, perhaps—in fact, I know—that we could adopt a system that is better than the one we have adopted; but that is not the fault of the Secretary of the Interior, nor is it the fault of the Indian Bureau. It is the fault of Congress.

Congress has a right to appoint commissions to go out and investigate conditions among the Indians. We have on many occasions appointed commissions who have made their reports. Take the report made by the distinguished Senator from Arkansas [Mr. ROBINSON]. It is perhaps one of the most valuable reports that has ever been made to this body upon Indian affairs. How many Senators, I ask, have acquainted themselves with that report?

Mr. President, I do not care to delay the Senate to go into this question any further than to say this: Before any Senator objects to an appropriation for the education of the Indians, I hope he will look into this question and have all the information available.

We have treaties pending to-day with the Indians that have not been fulfilled. The Indians let the Government have vast tracts of land. This Government agreed to do certain things for the Indians which have never been done. Take, for instance, the Sioux Indian country: The treaty made on the 29th of April, 1868, has never been kept by us. The Government of the United States solemnly promised that it would furnish schools to the Indian children. We promised to furnish a school-house for every 30 Indian children, and also furnish them with teachers. Have we done that? This Government has violated every treaty that it has made with the Indians of the United States. I make this statement without any fear of successful contradiction.

There is not in this bill to exceed \$8,000,000 taken out of the Treasury of the United States as a gratuity for the civilization of the Indians. The balance of the amount appropriated in this bill—and the bill carries, I think, about \$12,000,000 in all—is all reimbursable. It belongs to the Indian funds. These men, about 260,000 of them in all, are our wards, and yet it is said that it is outrageous to take \$8,000,000 for what? To comply, in part, with the promises we have made more than a hundred years ago in some instances. Gratuitously, we are not giving them a penny. We are not even giving them what belongs to them; and if we were to carry out the treaties which we have with the Indians of the United States the Indian appropriation bill would be a large one. It would certainly be more than the bill pending before the Senate now.

Mr. JOHNSON of South Dakota. Mr. President—

The PRESIDING OFFICER. Will the Senator from North Dakota yield to the Senator from South Dakota?

Mr. GRONNA. I yield.

Mr. JOHNSON of South Dakota. Mr. President, I am not opposed to the appropriation for school purposes that the Senator has in mind, but I merely wish to say in connection with his statement it is absolutely correct with regard to the schooling of children. We have in South Dakota about 1,500 children—Indian children—of school age who have no place provided for them to go to school. The treaty specifically provided that they should be provided for, and the law specifically made the same provision, yet that is the condition which exists in the State of South Dakota.

Mr. GRONNA. The Senator is correct; and what is true as to the condition in the Senator's State is true in other States. It is a deplorable condition. No one has criticized the Indian Office any more than I have.

The PRESIDING OFFICER. Will the Senator from North Dakota please suspend? The hour of 1 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 408) to provide for the development of water and the use of public lands in relation thereto, and for other purposes.

Mr. MYERS. I ask unanimous consent that the unfinished business be temporarily laid aside for the consideration of the Indian appropriation bill.

The PRESIDING OFFICER. If there be no objection, the unfinished business will be so laid aside. The Senator from North Dakota will proceed.

Mr. GRONNA. Mr. President, I have paid some attention to Indian affairs since I became a member of the committee. I have tried to discharge my duties as well as it is possible for me to discharge them. I am convinced that the Government must not refuse to appropriate money for the civilization and the education of the Indian children of the country, and wherever I find an appropriation in an Indian appropriation bill for school purposes, I want to say to this body it will not meet with any objection from me. There are provisions in this bill, I admit, of which I do not approve. I believe more in the appropriation of money for the civilization and education of the Indian children than I believe in improving the property of the Indian, because I believe it is better business to educate him and fit him for self-government than it is to appropriate money for the improvement of his land and then leave him in ignorance.

I have objected to the way in which the Indian lands are being leased. I have objected to the existence of the great tribal herds; and only to-day one of the greatest chiefs of any Indian tribe, Chief Plentycoos, testified before our committee practically in effect substantiating what I have been contending, that the tribal herds should be divided up and given over to the Indians themselves, and let them put their own private brands on the cattle, because it is educational for the Indian to handle his own affairs; it will encourage him to thrift; it will have the tendency of making him able to take care of himself.

But, Mr. President, when it comes to appropriating a few dollars for the education of Indian children who are destitute because the white man robbed them of their belongings, you have no right, I say, to question the right of the committee to make appropriations for these institutions of learning.

I was sorry to see the Senator from Utah [Mr. SMOOT] make the point of order against the little item appropriating \$450 for three Indians, a few paltry dollars for men who bared their breasts against people of their own tribe, and yet we refuse to honor them for the services they did to the white man.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Utah?

Mr. GRONNA. Yes; I yield.

Mr. SMOOT. Certainly, the Senator is mistaken in relation to my reason for making the point of order against the payment of those three claims.

Mr. GRONNA. It is because the Senator from Utah does not understand the Indian question.

Mr. SMOOT. Of course, we need not discuss that at this time.

Mr. GRONNA. The Senator does not care to discuss it at this time.

Mr. SMOOT. I say there is no necessity of that. I admit I do not know very much about the Indian question, but I do know that if the Government of the United States owes those Indians anything at all for services rendered in 1863—\$150 apiece for three of them—the claim should pass through the regular course of all other claims. There is no question if there is any evidence at all but that they can be paid. I would pay them and think they ought to be paid; and I went so far as to say that if they were scouts of the Regular Army and had served the Government and fell within the law they ought to receive pensions, just the same as any other scouts in the Regular Army.

It is not because I have anything against the Indians, but it is the idea of picking out a claim here that has been existing, if existing at all, ever since 1863 and putting it on an appropriation bill. I did not think that was the proper course to pursue.

Mr. LODGE. May I ask, does not the Senator think that 54 years' consideration of it by Congress is a fair period for consideration?

Mr. SMOOT. I do not think it has been considered for 54 years.

Mr. LODGE. The claim started 54 years ago.

Mr. SMOOT. But it is just of late that the claim has been brought to the attention of Congress, and there is no evidence here at all from any department; there is no record that there was any service performed. There is nothing to show that the service was rendered, and if we now pay the claim we acknowledge the service, and I think then they ought to have a pension if they did the service.

Mr. GRONNA. I will say to the Senator from Utah that this matter was very thoroughly considered by the committee, and it had all the information it needed to warrant it in placing this amount in the bill. These men have been refused this small payment. The Senator from Utah realizes as much as I do, and as much as any other Senator here, the dissatisfaction which it makes among the civilized tribes, or among the half-civilized tribes, when a payment which is justly due them, and which these officials say is due them and to which they are entitled, for Congress to put its stamp of disapproval upon it. I say it is shameful.

Mr. SMOOT. If the Senator will introduce a bill for this purpose and have it referred to the Committee on Claims, they will report it out if it is a just claim, and the Senator from Utah will vote for it very readily.

Mr. GRONNA. I am also a member of the Committee on Claims, and I know something about how difficult it is to get a claim through the Claims Committee. The Senator knows that this is true.

Mr. JOHNSON of South Dakota. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Dakota?

Mr. GRONNA. I yield.

Mr. JOHNSON of South Dakota. I will merely say that I drafted a bill which is now before the Committee on Indian Affairs to pay this small amount, and I hope to have a favorable report upon it at the next meeting of the committee.

Mr. GRONNA. Mr. President, I want to apologize for having taken so much time of the Senate. I want to say that this item in the bill providing for an appropriation for schools in California is needed and it is for the Senate to decide. If you wish to cripple these institutions of poor, defenseless Indian children who are your wards, vote against them. If not, you will vote for them.

Mr. CUMMINS rose.

Mr. ASHURST. Mr. President, just a moment. I wish to say that nothing I can say would add anything to the very able speech of the Senator from North Dakota. He has covered the ground fully. I hope the debate on this item may now close, for the Senator has covered the ground completely. He has defended the committee most generously and set forth the reasons which induced the committee to make this increase.

Mr. SMOOT. I wish to say to the Senator from Arizona and also to the Senator from North Dakota that there was no criti-

cism of the committee on the part of any Senator. The question arose as to whether the necessity was great enough at this time to appropriate money for new buildings. No Senator wants to interfere with the education of Indian children; but it was thought if it were just the mere fact of a new item perhaps it could wait for another year, with the Treasury in the condition it is to-day. Nobody objected. Questions were asked for information, and that has been given. I thank the Senator for what he has said.

Mr. ASHURST. I hope I may be indulged further to say I trust my attitude has not been one of objection in any way; in fact, I welcomed the questions put by the distinguished Senator from Utah. He performed a splendid service in asking the questions. I am not offended. I think we can have a vote on this question.

Mr. CUMMINS. I move that the Senate proceed to the consideration of Senate resolution 326, and upon the motion I desire to submit additional observations upon the subject involved.

Mr. ASHURST. Will the Senator from Iowa yield to me for a moment?

Mr. CUMMINS. I yield to the Senator from Arizona.

Mr. ASHURST. Of course, I recognize the right of the Senator from Iowa to make this motion, but I should like to have some agreement or some statement as to a reasonable time. I should like to ask, provided it does not require a roll call, that at 3.30 o'clock this afternoon the Senate shall resume the consideration of the Indian appropriation bill; and I believe we can finish it if we work from 3.30 to 5.30.

Mr. CUMMINS. I desire to facilitate in every way possible the consideration and the passage of the Indian appropriation bill; but it will be impossible for me to predict with certainty the time that will be required in the discussion of my motion.

Mr. ASHURST. Then, let me make this suggestion, Mr. President, that at the conclusion of the discussion, after the disposition of the matter proposed by the Senator from Iowa, the Senate shall recur to the Indian appropriation bill.

Mr. CUMMINS. I have no objection to that whatever.

The PRESIDING OFFICER. Is there any objection?

Mr. WALSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Montana?

Mr. CUMMINS. I yield for a question.

Mr. WALSH. I rise to a parliamentary inquiry. If the motion of the Senator from Iowa should prevail, I inquire whether the unfinished business would not be displaced?

The PRESIDING OFFICER. The Chair understands that it would.

Mr. JONES. I rise to a question of order. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Washington suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fall	Lodge	Sheppard
Beckham	Fletcher	McCumber	Smith, Ga.
Brady	Gronna	Martin, Va.	Smith, S. C.
Brandegge	Hitchcock	Martine, N. J.	Smoot
Bryan	Husting	Norris	Sutherland
Chamberlain	James	Oliver	Thomas
Chilton	Johnson, S. Dak.	Page	Thompson
Clapp	Jones	Pittman	Vardaman
Clark	Kenyon	Poindexter	Wadsworth
Culbertson	La Follette	Ransdell	Walsh
Cummins	Lane	Robinson	Watson
Curtis	Lewis	Saulsbury	Williams
Dillingham	Lippitt	Shaftroth	

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. There is a quorum present.

#### FOREIGN POLICY.

Mr. CUMMINS. Mr. President, I regret that I feel compelled to bring forward this motion to the disadvantage, possibly, of the Indian appropriation bill. I apologize to the distinguished Senator in charge of that measure for the intrusion. Nevertheless, I can not feel that it is entirely inappropriate to consider the subject I am about to discuss in the midst of the Indian bill. We took this continent from the Indians by conquest, and we established and have maintained a Government to which they have never given their consent. In view of these things, the Indian appropriation bill is not altogether irrelevant when we come to consider the fundamental principles of government so learnedly announced a few days ago.

Mr. President, further reflection has only deepened my conviction that it is our imperative duty to appoint a time for the consideration of the President's message delivered to the Senate in person on the 22d day of January, instant. The general proposals of the message are everywhere under discussion. The

public press in this country and in every other is publishing volumes with regard to it. Eminent men throughout the world are every day making it the text of addresses to the people. Foreign powers are taking it for granted that the Government of the United States is not only ready, but anxious, to become a part of a new world sovereignty, a sovereignty which, to say the least, can only be established by the joint act of the President and the Senate. One branch of our treaty-making power has spoken. The President has in the most explicit terms told the Senate, and through it the Governments of all other countries, that it is the deliberate purpose to make these treaties a purpose, modified, I assume, by the implied provision, unless otherwise advised by the Senate or unless changed by public opinion. He has asked us for whatever assistance we can give him. Is it possible that under these circumstances we can refuse this call to the highest duty which has ever fallen upon this department of the Government? Is it possible that when it is proposed that we shall revolutionize our institutions, abandon all our traditions, surrender our sovereignty, transfer to a new nation or league our Army, our Navy, and with them our Treasury, to put at the disposal of a power higher than our own the lives and the fortunes of our men and women, to make the former fight and the latter suffer when commanded by an alien authority, we will still be met with the objection that the time spent in the Senate by a discussion of the proposal would be time wasted? Is it possible that there are Senators who believe that it is more important to pass appropriation bills, to debate water-power rights, to vote on further railway regulation, than to do our part in the formation of a sound, patriotic public opinion upon these fundamental principles of government and civilization? Mark you, I am not at this moment either condemning or approving the course marked out for us by the President. I am still endeavoring to make it clear that there is no other subject so vital as the one brought into the Senate by the Chief Executive when he announced his purpose to immediately initiate the movement so graphically described in his communication.

When my resolution was before the Senate a week ago it was urged that it provided only for discussion and not for action. I intentionally so framed it, because I think no Senator ought to attempt a resolution declaring a policy until the whole subject is carefully considered in debate. In presenting the suggestion for discussion only I was following a long line of notable precedents. It has been a well-known procedure from the very beginning of free parliaments, legislatures, and congresses to take up for discussion purely speeches, addresses, and all kinds of communications from the throne or executive, and without any specific proposal for instant action. I need not recite instances of this practice, for the history of all free Governments is full of them. It is highly probable that following debate a resolution may be formulated which would record the action of the Senate as an organized body, but this is not necessary to the legitimacy of the discussion, however valuable it might be in the ultimate outcome.

I was not impressed with the reasons given for the motion to refer the resolution to the Committee on Foreign Relations. It could supply nothing that would be helpful in reaching a conclusion upon the wisdom or desirability of setting apart a time for the discussion of the message. If the discussion should result in a proposal for action, I would at once admit the propriety of sending any such resolution to the committee. I agree with the Senator from Massachusetts [Mr. Lodge] that if time be regarded so valuable it will be conserved by the course I have proposed, for in any event the subject will be debated by every Senator who feels that it is his duty to express his opinions. But necessarily the debate which is thrust upon the Senate day after day simply because our rules permit a Senator to address himself to any topic, no matter what measure may be under consideration, will not accomplish the full purpose I have in view. If I have not misunderstood our duty, it can only be fulfilled by turning our attention to this subject for a reasonable time, to the exclusion of all other subjects. We ought to deal with it in a solemn, continuous way. It ought not to creep in like a trespasser upon forbidden ground. It ought to be given a place in our deliberations commensurate with its transcendent importance.

If I had any reason to believe that my Democratic associates would permit a consideration of the resolution upon its merits and appoint a time for serious thought and expression upon the message, I would say no more. But, inasmuch as I have been led to believe that my resolution if taken up will be at once buried in the dust-covered archives of the Foreign Relations Committee, I intend to address myself, briefly I hope, to a phase which might be more pertinent if the President's announcement were itself before us for discussion. I have it in

mind to analyze the proposal and ascertain just what the President intends to do if foreign nations are willing to do it with him. I want to contribute what little I can to a full understanding of the position in which we would finally discover ourselves if the new sovereign of the earth which he is seeking to install were in fact in power.

The message overflows with just and beautiful sentiments so eternally right that they instantly command the approval of all lovers of humanity. Millions of our men and women hearing or reading these noble sentiments assume without further inquiry that what the President is about to do will bring justice to the world, abolish war, and maintain a permanent peace founded upon the rights of man, as we understand his rights in this country. It is very easy to lift up a banner inscribed with the watchword of every loving, loyal, and patriotic heart, and, without doing or saying more, the first instinct of every humanitarian is to proclaim his fealty to it. It is a sad spectacle, however, to see a flag raised in devotion to the heaven of peace leading a march straight to the hell of war. What the people of this country ought to be asking themselves is whether the course proposed by the President will establish nations which exist through the consent of their citizens and will secure permanent peace among them; and, above all, whether it will promote liberty, happiness, progress, and peace among the people of the United States.

It is because I have a deep desire to be of some help to my fellow countrymen in answering these inquiries that I devote myself to the task of separating, in the President's message, the universally accepted generalities, which mean nothing but pleasure to the ear, from the startling announcements with respect to the formation of a new and supreme government which is to command our resources in both blood and treasure.

I begin by affirming as my belief that if this country shall do what the President proposes we will be involved either in almost continuous war waged all over the world or we will be engaged in almost constant rebellion against the authority which he proposes to set up over us. No man shall accuse me of questioning the sincerity of the President in his attachment to the doctrine he advocates, nor must it be insisted that I doubt the honesty of his conviction that the new world power will fairly redivide the earth among nations and will be able to preserve peace among them. If I did not think that he is honest in this delusion, I would not be interested in the decision. If he stood alone as a proponent of a new theory in human affairs, it might not be necessary to make it the subject of grave consideration. But the truth is that the proposal has been before the world for centuries, has been at one time or another the dream of sages and philosophers, and in our own country was being urged by men of the highest prominence long before it attracted the attention of the Chief Executive. These facts make the action about to be taken by the President serious and formidable, and the suggestion calls upon those of us who believe that the plan can end in nothing but disaster to utter a note of warning. The movement to organize a world court and to broaden to its extreme limit the field of arbitration has always had my cordial approval, and I have never ceased to hope that in the progress of time war would become infrequent if not impossible; and it is only when it is attempted to confer upon such a tribunal or league or sovereignty, it matters not how it is described, the power to use armies and navies to enforce its decrees or to make contracts binding us to fight in a quarrel not our own that my opposition begins.

This is not to be an argument fortified by history and experience or an inquiry into human nature, which, after all, underlies every sound conclusion, although the material for such a discussion is so abundant that it is difficult to withstand the temptation to reach out and take it. Upon this occasion I have assigned to myself the less interesting task of stating, as clearly as may be, the exact things which the President is about to do if other nations will join him. I want the people to apprehend fully the precise effect of the course he has declared and the terms in which he must embody the doctrine in treaties which will carry it into execution.

The message opens with a reference to the note of December 18, in which the belligerent countries were asked to state the terms upon which peace might be established. I am not deeply versed in the finer ways of diplomacy, and it concerns me very little whether preliminary suggestions should have been made before the note was dispatched or not. I am quite willing to see some of the obsolete forms of diplomatic intercourse disappear, and I think the President was wholly right in propounding the question to the warring powers. As a neutral the United States is vitally interested in the struggle—first, for humanity's sake; second, because its continuance profoundly disturbs our industrial life; and third, because it is full of danger to our own

peace. We have therefore a perfect title for every legitimate effort that will tend to restore the tranquillity of nations. The President was generally applauded, and I think he deserved the applause, for this attempt to bring on a discussion concerning the terms of peace.

The President then says:

It is inconceivable that the people of the United States should play no part in that great enterprise—

Referring to peace—

To take part in such a service will be the opportunity for which they have sought to prepare themselves by the very principles and purposes of their polity and the approved practices of their Government ever since the days when they set up a new nation in the high and honorable hope that it might in all that it was and did show mankind the way to liberty. They can not in honor withhold the service to which they are now about to be challenged. They do not wish to withhold it. But they owe it to themselves and to the other nations of the world to state the conditions under which they will feel free to render it.

Standing alone, as a general expression of high duty, I sincerely concur in every word of the paragraph I have quoted. While we ought to have nothing to do with the terms of peace in so far as they relate to either territory or reparation, we ought to have a seat at the council table when the subject of the prevention of future wars is under consideration. Our view ought to be heard when the powers of the earth are passing upon the freedom of business intercourse. Our influence ought to be felt when the future armament of nations is being determined. None of these things touch that isolation of our sovereignty so wisely taught by Washington, Jefferson, and Monroe. It has been and still is my hope that the end of the war in Europe will signalize a mighty advance toward the peaceful settlement of international controversies. It is impossible for me to doubt that the law of the sea will be rewritten, and that the mad competition in armies and navies will be restrained.

No one can question the further suggestion that the peace of the world would be greatly promoted if in the settlement of the war absolute justice were done and nations could be set up or torn down, enlarged or reduced, in accordance with—and I quote the President—

Elements that engage the confidence and satisfy the principles of the American Governments, elements consistent with their political faith and the practical convictions which the peoples of America have once for all embraced and undertaken to defend.

Or—and I quote him again—

I speak of this not because of any desire to exalt an abstract political principle which has always been held very dear by those who have sought to build up liberty in America, but for the same reason that I have spoken of the other conditions of peace which seem to me clearly indispensable—because I wish frankly to uncover realities. Any peace which does not recognize and accept this principle will inevitably be upset. It will not rest upon the affections or the convictions of mankind. The ferment of spirit of whole populations will fight subtly and constantly against it, and all the world will sympathize. The world can be at peace only if its life is stable, and there can be no stability where the will is in rebellion, where there is not tranquillity of spirit and a sense of justice, of freedom, and of right.

Still I quote him:

I am proposing government by the consent of the governed.

To take the world as it is and redivide its territory and its people, observing these principles, is the work of the Almighty, and even His power and wisdom would be taxed to their very limits. Let us hope that the providence of God, aided by the example of those countries which do recognize these national beatitudes, will in the fullness of time and the evolution of mankind lead the world to this perfection. I for one am willing to pray for it and work for it. That, however, is not what the President proposes. To put it in very homely phrase, he wants the United States to sit down with the other powers of the earth and seriously attempt to agree upon a division of the earth and its peoples into sovereignties, guided, I assume, by the principles he so persuasively states; and, having so apportioned the population of the world among distinct Governments, that this universal council shall create a supreme power which, through armies and navies contributed by the several subordinate nations, will maintain the status thus established, by suppressing insurrections, repelling invasions, overcoming every effort of any single Government or combination of Governments to change the existing condition. The plan involves, of course, the denial to any such nation of the right to redress its own wrongs or to maintain its own honor. It contemplates complete crystallization, eternal fixity. It may be that there is in his mind the reserve thought that the league of nations, or supreme power of the world, can change the territorial limits of Governments or transfer a given people, with their consent, from one to another; but he does not make this point as clear as could be wished.

I do not intend to vex the debate with details nor test the soundness of the policy proposed by referring to its infinite difficulties and manifest inconsistencies. For instance, in the allot-

ment of the inhabitants of the earth to the various Governments, upon the principle that acquisition by conquest is fundamentally wrong and that every Government must exist upon the consent of the governed, what year would be taken to begin the application of the principle? Inasmuch as every country in the world, our own included, holds substantially all its territory through conquest, and was built up by overcoming and destroying weaker powers, the date of reorganization would become extremely important. These difficulties and inconsistencies are, however, somewhat inconsequential, because we know that when this council which the United States is to join enters upon this work of distributing national power no such lofty purpose will be observed, nor is it in any way possible to lift such a council out of the atmosphere of self-interest, a self-interest that would in all probability make the attempt not only abortive but absurd.

Reflect a moment on this subject. I have before me an article written by a very distinguished writer, to which I shall refer more at length somewhat later in my address, but I beg to read now a paragraph or two from his view of the message—and his view of the message is that of a friend, for I shall presently quote an extract in which he declares it to be the greatest utterance of modern times.

The President—

Says this writer, whom I will name hereafter—

The President mentions Poland because the Polish people are not at the moment under the Russian power. He says nothing of Finland, nor of Bohemia, nor of Prussian Posen, nor of Galicia, nor of Croatia, nor of Macedonia, nor of the Greeks in Asia Minor or Constantinople, nor of the Armenians, the Druses, the Arabs, the Egyptians. The principles that he lays down, if strictly applied, would devitalize Turkey and Austria-Hungary.

Of course, everybody recognizes that these principles applied to the Empire of Austria would destroy it entirely. It may be that it ought to be destroyed, but I hesitate to see the United States embark upon that enterprise. Again, this writer says:

The President's championship of the independence of Poland offends Russia and disappoints Germany. His statement that every great people "should be assured an outlet into the great highways of the sea" encourages Russia to hope for the Bosphorus. Here again President Wilson puts his finger on a nerve. A glance at the map will show that, so long as the Russians are a nation they will never enter into any agreement which recognizes as an accomplished and permanent fact the holding of Constantinople by another power. On the other hand, the Germans are in Constantinople, and are pledged to Turkey to "protect the independence" of that empire. Even to accept "neutralization" of the strait would mean to cut clean across the German spinal cord of rail communication between the North Sea and the Persian Gulf. Of course, if world peace can be brought about, the neutrality of the Bosphorus and Dardanelles can be maintained; and the same principle would naturally extend to the Suez Canal and the Panama Canal.

Referring again to the former paragraph, the writer concludes it in this way:

It would also unbind the political ties of the United States to the Philippine Islands and the five Latin-American dependencies. No peace confined simply to the determination of the present war can possibly carry out such a program.

I was interested last night on picking up an evening paper to read this dispatch from Berlin. It shows very clearly that my analysis, partially made, and hereafter to be completed, of the thought in the President's mind is not an imaginary one:

[By wireless to Sayville, N. Y.]

BERLIN, January 29.

The Overseas News Agency says the executive committee of the Indian National Party has sent to President Wilson a cablegram expressing gratitude "in the name of the 315,000,000 oppressed persons in India" for the President's address to the Senate.

The message asserts there can be no lasting world peace until India is freed from "ruthless plunder and exploitation at the hands of Great Britain, which has reduced a land once famous for its riches, moral excellence, and intellectual achievements, to a state of chronic poverty, famine, and complete moral and mental stagnation."

A part of the work therefore of this council would be to deliver India from the power of Great Britain and establish a government there more sympathetic with the people of that country.

Again, by what right does Great Britain hold the Boers? If we are to readjust the world upon these principles, the justice of which we all acknowledge, then we must take that part of Africa from Great Britain and fulfill the dream of the Boers themselves in their gallant struggle for liberty and independence.

What would we do ourselves in our relation to the West Indies? By what right do we hold Cuba in check? By what right do we enter day after day and month after month the Republics of Central America in order to suppress crime, in order to defend and maintain Governments which we ourselves establish within the borders of those countries?

I shall not pursue this thought, for I have said already quite enough to give us a fair comprehension of the work to which we are invited—the work of redividing the world, at the end of this

long period of conquest, into nationalities established upon the principles of justice to man and the consent of the governed.

But, Mr. President, these obstacles do not concern me just now. The question which the American people must answer is whether they desire their Government to participate in any such effort, with the understanding that out of it is to grow a league of nations, or world authority, which will have jurisdiction not only to settle all international disputes but the power, through armies and navies, to coerce every nation into acceptance of its awards or laws.

There are some people of high station, great learning, and undoubted patriotism who do not see in the President's message the policy I have outlined, and it is my purpose now to direct your attention to those parts of the communication which seem to me decisive upon it. Speaking of the termination of the war, he says:

The treaties and agreements which bring it to an end must embody terms which will create a peace that is worth guaranteeing and preserving, a peace that will win the approval of mankind, not merely a peace that will serve the several interests and immediate aims of the nations engaged. We shall have no voice in determining what those terms shall be, but we shall, I feel sure, have a voice in determining whether they shall be made lasting or not by guaranties of a universal covenant; and our judgment upon what is fundamental and essential as a condition precedent to permanency should be spoken now, not afterwards when it may be too late.

Again—

Mere agreements may not make peace secure. It will be absolutely necessary that a force be created as a guarantor of the permanency of the settlement so much greater than the force of any nation now engaged or any alliance hitherto formed or projected that no nation, no probable combination of nations could face or withstand it. If the peace presently to be made is to endure, it must be a peace made secure by the organized major force of mankind.

Again—

There must be, not a balance of power, but a community of power; not organized rivalries, but an organized common peace.

And again—

That service is nothing less than this, to add their authority—

That is, the authority of the United States—

and their power to the authority and force of other nations to guarantee peace and justice throughout the world.

Again—

Right must be based upon the common strength, not upon the individual strength, of the nations upon whose concert peace will depend.

Again—

I am proposing, as it were, that the nations should with one accord adopt the doctrine of President Monroe as the doctrine of the world; that no nation should seek to extend its polity over any other nation or people, but that every people should be left free to determine its own polity, its own way of development, unhindered, unthreatened, unafraid, the little along with the great and powerful.

I am proposing that all nations henceforth avoid entangling alliances which would draw them into competitions of power, catch them in a net of intrigue and selfish rivalry, and disturb their own affairs with influences intruded from without. There is no entangling alliance in a concert of power. When all unite to act in the same sense and with the same purpose all act in the common interest and are free to live their own lives under a common protection.

There is but one conclusion that can be drawn from these utterances. It is that over all the nations of the earth there shall be a common and supreme power, which will not only undertake to decide all the controversies which may lead to international disturbance, but which, having entered judgment upon them, will compel obedience. There is but one way in which obedience can always be compelled. The protesting or rebellious nation must be overcome by force of arms. Whose arms, may I inquire? Arms of the superior power, I answer. This military force may be contributed voluntarily by certain of the nations which unite to form the supreme power under the compulsion only of a prior agreement, or it may be a force organized in an involuntary way through the exercise of the right of taxation. Broadly speaking, there are but two methods that can be employed in establishing the guaranty of which the President speaks. There could be an agreement among the nations of the world creating the league, giving it the jurisdiction to decide disputes, with a contractual obligation to furnish from time to time such armies, navies, or money as would enable the league to make successful war upon a recalcitrant member.

This plan has the weakness of giving to each member nation the right, or rather power, either to keep or break its contract when the event happens, and there is not a sane human being in the whole world who does not recognize that such a compact would be observed or violated as the sentiment or interest of the particular nation would dictate. For instance, suppose that we had entered into such a relation with the principal powers of the world and the universal league or court was in operation; suppose a dispute arose between Great Britain and Germany which promised war. The league assumes jurisdiction and decides the controversy in favor of Great Britain.

Germany then declares war and proceeds in her own way to protect what she has proclaimed to be her right. The league then calls upon the United States to furnish warships, troops, arms, munitions, and money to overcome Germany. What would the United States do? My answer is that it would do whatever its people at that time believed it was for the interests of the country to do. Under such circumstances the probabilities are that we would be drawn into the war, but upon which side no man dare assert.

Take the other form in which the world power may be organized. Imagine, if you can, the partial disarmament of the nations themselves, and that each one of them had transferred to the world power such part of its navy, such part of its army, and such part of its money as would give the supreme authority command over military forces greater than any nation or any reasonable combination of nations possessed. The dispute arises. It is decided. Great Britain and Germany propose to war with each other. The supreme power takes our ships, our men, our arms and munitions, and our money to execute a decree from which we may have dissented and with which our people may be wholly out of sympathy. Can it be possible that any person who has thought even casually upon the subject is able to reach the conclusion that any such disposition of the world's affairs will promote peace, or strengthen civilization, or sustain progress, or bring happiness to the human family? To me the thought is full of madness, and the very best that can be said of it is that it springs from an intense desire for a peaceful world and is bottomed upon a blind willingness to try any experiment, however visionary and hopeless.

Let us again imagine that the world power has been installed, with proper means for filling its treasury to raise the money necessary to provide itself with this overpowering military force, a force entirely at its command but which must be made up, of course, of all the nations of the earth. There will be American admirals, American generals, American arms and munitions. Imagine, now, a controversy between Japan and the United States, with a decision in favor of Japan, which we could not and would not accept. We would then witness a spectacle so monstrous even in a dream that one hardly dares to describe it. If the plan is workable our own ships, our own men, our own armament would be compelled to fight their own country into submission or absolutely extinguish it from the face of the earth. The thought of it is preposterous, and of course every man will reject the proposal the moment it comes to him in any such revolting form. If the President means that there shall be an understanding among nations that when war is threatened there shall be a concerted effort to draw together, if at the time each such nation can see that the welfare of its people will be protected in the effort, he would find many followers among those who are bending their energies toward some remedy for the horrors of war. But this is not the thought he has expressed, and I am dealing only with the inevitable results of the readjustment which he has proposed to us and to the world.

That I am right in the interpretation which I have put upon the message is further proven by the analogy which he finds between the Monroe doctrine and his doctrine of the world. I will not pause to point out that instead of analogy there is utter repugnance; but evidently there is a parallel in his mind, and that is sufficient for my present purposes. Those who think that the President does not intend that the decisions of the league of nations are to be executed by force have but to remember that if any foreign nation were to attempt to invade the American Monroe doctrine there is but one way for the United States to enforce it. There is but one way ever suggested by the statesmen of America in which it can be enforced. Without the force of arms, either actual or potential, behind it, our policy in this regard would be the emptiest bravado. A learned reasoner like the President could make no mistake in tracing the alleged analogy. It must necessarily be true that with him, at least, the world doctrine which he has espoused means that the world power will execute it with armored ships and shotted guns. To a man who believes that peace can be permanently maintained in this way there is some compensation for the humiliating reflection that the United States will be reduced to a mere principality, pursuing the path of obscurity to an ignominious future, doing the bidding of a higher power. But to those of us who believe that the plan proposed will provoke war instead of suppressing it, the announcement of the President comes with a shock which it is impossible to adequately describe.

In so far as I have been able, I have confined my observations to analysis, and I defer to a later day the ample evidence in which the history of nations is rich, showing the futility of the concert toward which we seem to be hastening. Nevertheless,

I can not resist the temptation to quote briefly from a notable article appearing in the New York Times of last Sunday, from the pen of one of our most eminent educators, Prof. Albert Bushnell Hart, of Harvard University. It was to this author I referred a few moments ago. Outdoing Elihu Root, when he called the President "the noble idealist," Prof. Hart, writing of the message, said:

It recalled the great speeches of Webster, in its appeal to the country in rounded and ringing sentences. As a state paper, this address will take its place alongside the most famous utterances of the Presidents \* \* \*. It almost measures up to some of the terse and lofty messages of Lincoln. American literature will incorporate out of Wilson's address such phrases as "We show mankind a way to liberty," "The organized major force of mankind," "A community of power," "A peace without victory," "Freedom of life, not equipolse of power," "The free, constant, unthreatened intercourse of nations." It is a high doctrine, calling upon the world to be consistent with itself, to put into practice the principles of government and international intercourse upon which it professes to found civilization.

I have cited this in order to make it perfectly plain that this writer is not looking at the message from a hostile point of view.

After he had thus characterized the greatness of the message—an introduction from which one might easily understand that the world is ripe for the proposed readjustment—he calmly proceeds to show how impossible it would be to take the first step in the President's plan, and comments upon it thus:

It is more difficult to make the principles of sovereignty and independence fit in with any form of world peace. The President does not commit himself to ultimate government by a judicial tribunal, which seems to be the main object of the world-court movement. He does incline toward the general plan which is pushed by the League to Enforce Peace.

I may say, in passing, that the President so far exceeds any proposal made by the League to Enforce Peace that he becomes a pioneer in this great undiscovered country.

After quoting further from the message in this regard, the writer adds:

If that means anything definite, it means an international police force of not less than 5,000,000 men, in which the share of the United States would be at least 500,000. There is a limit on the armament of the world; yet it is clear that unless some means is provided for confronting any big, aggressive nation that is determined to gain its end by force the whole scheme of universal peace is in danger.

Toward the end of the article there will be found this significant passage:

The one serious question that would be left is, of course, that for the United States to enter into an agreement for keeping the world peace by putting down disturbers by joint armed force would admit the right of armed foreign nations to send their armed forces to our neighborhood, or even into the United States. For instance, another civil war might call for international intervention.

This leads to the most serious difficulty in the way of general world peace, namely, that it aims at the crystallization—

I observed one or two Senators smile when I used that term in describing the work to which the President had set his hand; but I am not alone, at least, in that construction of his purpose. I read again:

This leads to the most serious difficulty in the way of general world peace, namely, that it aims at the crystallization of the face of the earth as it is now or will be when the new arrangements are made. Who is to give reasonable play to the irregular development of nations, to the growth of race elements inside of countries, to the rising of great communities out of the colonial States? Can a world peace league create a machinery of men so world wise, so benevolent, that they will take account of the irregular development of the world?

No more striking instance of the charm which the easy flowing sentences of the message holds for the heart and mind can be found than the article of this brilliant and thoughtful writer. He pours out his eulogy in unstinted measure, for he, like all of us, is yearning for peace—not alone the peace of the moment, but the peace of the future. The moment, however, that his reason resumes control he perceives and states a situation which defies the entire proposal. His concluding paragraph is the happiest contribution to the literature of the subject which has fallen under my eye. He concludes thus:

Whether that is finally possible or impossible, President Wilson has revived the belief of many fainting hearts, has pointed a way to the stoppage of the infernal death and destruction of the present war, with the hope that like wars may be prevented in the future. To cavil at phrases, to criticize sentences, to deny the world public spirit of President Wilson in this significant speech would be unpatriotic to our country and unfriendly to the interests of mankind.

I accord to the Chief Executive this vast public spirit which impels him to do whatever he can toward accomplishing peace; but this is the time—the only time it can be effectually done—to ascertain just what he proposes that this country shall do in order that he may reach the haven of peace.

That is to say, speaking of the paragraph I have just read, if we strip the comment of its complimentary garb, we ought to honor the Chief Executive, as I am sure all of us do, for his great desire to bring the war to an end, and that it is to be hoped his suggestion may be followed by some plan which the United States can adopt with honor and safety.

Those of you who have read the last Saturday Evening Post must have been amazed in noting the extraordinary similarity between the President's message and an article by H. G. Wells, a distinguished English writer. The identity of thought must be, of course, a pure coincidence, but it is nevertheless extraordinary. The President could not have followed the Englishman more faithfully had he been provided with an advance copy of the article about to appear. I do not quote from Mr. Wells for the purpose of impeaching the originality of the President, however, but to expel every doubt with respect to the end sought to be accomplished and the means which must be employed. Mr. Wells writes in this way:

Let me state the broad outlines of this pacification: In the first place there would have to be an identical treaty between all the great powers of the world, binding them to certain things. It would provide—

That the few great industrial States capable of producing modern war equipment should take over and control completely the manufacture of all munitions of war in the world, and that they should absolutely close the supply of such material to all the other States in the world.

That they should set up an international tribunal for the discussion and settlement of international disputes. That they should maintain land and sea forces only up to a limit agreed upon, and for internal police use only, or for the purpose of enforcing the decisions of the tribunal. That they should all be bound to attack and suppress any power among them which increases its war equipment beyond its defined limits.

That much has been broached in several quarters—

As we all know—

but, so far, is not enough. It ignores the chief processes of that economic war which aids and abets and is inseparably a part of modern international conflicts. If we have to go as far as we have already stated in the matter of international controls, then we must go further and provide that the international tribunal should have power to consider and set aside all tariffs and localized privileges which seem grossly unfair or seriously irritating between the various States of the world. It should have power to pass or revise all new tariffs, quarantine, alien-exclusion, or like legislation affecting international relations. Moreover, it should take over and extend the work of the International Bureau of Agriculture, at Rome, with a view to the control of all staple products. It should administer the sea law of the world and control and standardize freights in the common interests of mankind. Without these provisions it would be merely preventing the use of certain weapons; it would be doing nothing to prevent countries strangling or suffocating each other.

These things being arranged for the future, it would be further necessary to set up an international boundary commission, subject to certain defining conditions agreed upon by the belligerents, to redraw the map of Europe, Asia, and Africa.

Moreover, this international tribunal, if it was indeed to prevent war, would need also to have power to intervene in the affairs of any country or region in a state of open and manifest disorder, for the protection of foreign travelers and of persons and interests localized in that country but foreign to it.

Such an agreement as that would at once lift international politics out of the bloody and hopeless squalor of the present conflict. But it needs the attention of such a disengaged people as the American people to work it out and supply it with weight. It needs putting before the world with some sort of authority greater than its mere entire reasonableness. Otherwise it will not come before the minds of ordinary men with the effect of a practicable proposition.

It has seemed to me that the President's message is a mere paraphrase in loftier, statelier tones, more beautifully and more clearly expressed, but still a paraphrase, of the doctrine which Mr. Wells on behalf of his countrymen has put before the American people.

The whole argument presented by Mr. Wells is that the United States must enter the disputes of Europe or chaos will ensue; a chaos in which we will be necessarily involved. That the nations of that continent are incapable of either right thinking or right doing. If this be true, there is no world league, in which the countries of Europe must be the dominant power, that can either construct or maintain permanent peace.

The epigrammatic phrase in the President's message which is said to rival in its exalted spirit the most notable sayings of ancient or modern times, "It must be a peace without victory," is the final proof of complete bewilderment. In itself it is meaningless, for if the President intended to say that justice can not follow victory, the history of every age contradicts him. I am sure he felt this conflict between the epigram and the truth, for he immediately proceeded to declare that he must be allowed to put his own interpretation upon it, which was, in substance, that if the present war closed in a victory the triumphant powers would insist upon terms that would violate the principles which he had announced, and which we all recognize as the true basis of national existence. He knows, and we all know, that the belligerents totally disagree with respect to the cause of the war, the motives of those who brought it about, and what justice requires in bringing it to an end. In this passionate ferment of opinion we are asked, substantially, to force an agreement and then to fight for it through all the years to come.

I stand with the President in every moral effort which it is possible for him to exert to induce these warring people to end their devastating conflict, but I refuse to follow him when he

leads the way toward the world sovereignty which he has proposed.

Mr. HITCHCOCK. Mr. President, it is my opinion that the motion made by the Senator from Iowa to take up his resolution and consider it at this time is in fact, if not technically, out of order. He proposes here in his resolution that the Senate shall devote some time to a discussion of an address delivered by the President of the United States to the Senate on January 22. I desire to call his attention to the fact that that address is not before the Senate. The Senate has acted upon it by referring it to the Committee on Foreign Relations, where it should properly go for consideration before it comes before the Senate.

At the proper time I shall take occasion to have this debate closed, because it seems to me manifestly unjust to the Senate and manifestly unfortunate that with only a few weeks of the session ahead of us, with a crowded calendar and night work in prospect, we should be detained with an academic discussion upon something not properly before the Senate.

I recognize, however, that the Senator from Iowa having brought this matter this afternoon before the Senate and having made certain interpretations of the President's address, it is proper to turn aside from our regular work for a short time to consider what the Senator has said.

Mr. President, in the first place, let me call attention to a fact. The President's act in delivering this address and raising this great issue, not only in this country but in other nations of the world, has the substantial sanction of the people of the United States. At the Democratic national convention which met in St. Louis last summer and which nominated Woodrow Wilson for President the following plank was adopted. I shall read only that portion of it which is pertinent to what I have to say:

We hold that it is the duty of the United States to use its power, not only to make itself safe at home, but also to make secure its just interests throughout the world, and, both for this end and in the interest of humanity, to assist the world in securing settled peace and justice. We believe that every people has the right to choose the sovereignty under which it shall live; that the small States of the world have a right to enjoy from other nations the same respect for their sovereignty and for their territorial integrity that great and powerful nations expect and insist upon; and that the world has a right to be free from every disturbance of its peace that has its origin in aggression or disregard of the rights of peoples and nations; and we believe that the time has come when it is the duty of the United States to join with the other nations of the world in any feasible association that will effectively serve those principles, to maintain inviolate the complete security of the highway of the seas for the common and unhindered use of all nations.

Upon that platform the people reelected Woodrow Wilson President of the United States. I feel, therefore, justified in saying that when the President took occasion to deliver his address to the Senate, and thereby to take the first great step toward bringing about a league of nations for the preservation of the peace of the world, he was carrying out the declared will of the American people expressed at the ballot box at the last election, and not merely the decree of the party of which he is the head.

Mr. President, criticism is an easy matter. The President's address has been criticized in every nation of the world. It can be criticized here. It can be criticized in the committee to which it has been referred. But the fact remains that it will stand as the greatest document ever penned by man, considering the tremendous possibilities of its influence in the international affairs of the world. It has been received in every great country in the world and read by millions of the people of the world, and it has met a responsive chord in every country. It is to-day an issue in every great nation, and it is to-day the greatest influence for hastening the advent of peace and bringing a close to this terrible war. That great document which the Senator from Iowa has criticized here to-day, and upon which he asks the hasty judgment of the Senate, has hastened the advent of peace and probably saved millions of lives of the people of the nations at war.

Mr. President, there were obviously two purposes in the delivery of this message. One was to do what might be done toward hastening the conclusion of peace. Unquestionably and by general admission that influence is well at work by this time. The other was to suggest not a program, as the Senator from Iowa would say, but to suggest the principles upon which the United States might be willing after the end of the war to enter into a league of nations to guarantee the peace of the world. The President has suggested no program, and for much of the criticism which has fallen from the lips of the Senator from Iowa to-day I find no warrant whatever in the language of this document.

As far as the duty of the United States Senate is concerned, it would to my mind be next to a crime to do anything in this great body which would detract in the slightest degree from the

influence of the President's address in foreign lands where it is working for peace. It is obvious that the United States can be committed to no program of action until the Senate is consulted, and in due time undoubtedly the Senate will be consulted. To make controversy at this time, however, even to indicate to the world that there is any considerable dissent from the great principles laid down in the address, or any great dissent in the United States from the desire of the President to promote peace, would not only be a great misfortune but it seems to me that it would be next to a crime.

Mr. BORAH. Mr. President—  
The PRESIDING OFFICER (Mr. PITTMAN in the chair). Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. HITCHCOCK. I do.  
Mr. BORAH. The Senator has suggested that in due time the Senate of the United States will be consulted, and that it will have to be consulted before any program is carried out or in any way put in such form that it would be binding upon it and the other nations of the world. I have observed in practically all the nations of Europe the question which is being propounded, the question which Sir Edward Grey propounded, the question which has been propounded in Berlin and other places, is whether or not the Senate of the United States, which must be consulted, will approve of the President's program. They understand perfectly that the President's policy or principles, or whatever they are, if carried into execution, must be determined through treaties, through some kind of a national obligation, and that the Senate of the United States must approve of those treaties and obligations. I think if the President's suggestions are to have their full effect in the European countries it must be known, as Sir Edward Grey said, whether the people of the United States and their Government are behind this proposition.

Therefore it seems to me to be quite proper that we crystallize our views, if possible, and let the foreign Governments know precisely how we feel about it, either pro or con.

Mr. HITCHCOCK. Mr. President, the immediate need of the world is to bring peace, and the President has said in his message, which is undoubtedly true, that with the terms of this peace we have nothing to do. Peace will come in Europe by the development of the demand for it among the people of Europe. That demand has been given a tremendous impetus in every belligerent country by the widespread circulation and discussion of the President's message. I would deplore as a terrible misfortune anything that might occur at this time in the Senate to detract from that effect, although I would be active as a Member of the Senate to assert the right of the Senate to pass upon the ultimate plan for entering into a league to enforce the peace of the world.

Mr. CUMMINS. Mr. President—  
The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Iowa?

Mr. HITCHCOCK. I do.  
Mr. CUMMINS. The Senator must be aware that there are a great many people who believe the message delivered by the President to the Senate instead of making for peace is making for war. I have no doubt the Senator from Nebraska believes that its influence will be profound in hastening peace. I very respectfully but insistently claim that it will have no such effect.

Mr. HITCHCOCK. I hope the Senator will not interrupt me. I was careful not to interrupt him, and I desire to speak as briefly as possible and to the point.

It seems to me that the question whether or not the President's message is going to shorten the present war is not subject to controversy. It is already shortening the war.

Mr. CUMMINS. Has the war come to an end?  
Mr. HITCHCOCK. Since the President's message was delivered the sentiment of peace in every country of Europe has crystallized enormously.

Mr. WILLIAMS. The censorship has been removed.  
Mr. HITCHCOCK. The censorship has been removed, and we are beginning now to get the true sentiment of Europe for the first time, and Europe is beginning to get ours.

Mr. President, I think any intelligent American realizes that in every one of the great countries of Europe that are now plunging toward bankruptcy and possible repudiation there is a strong sentiment in favor of steps to secure peace. But every one of those countries, both the members of the Teutonic alliance and the members of the entente alliance, are embarrassed with the difficulties of taking the first steps, and only by the aid of a great neutral power like the United States, a power from outside, can those steps be taken which will inevitably shorten the war.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to his colleague?

Mr. HITCHCOCK. Simply for a question. I can not yield for a longer interruption.

Mr. NORRIS. I will ask the Senator if he believes that any action taken by the Senate on the President's note would detract from its beneficial effect?

Mr. HITCHCOCK. Mr. President, I think any criticism of it would be misunderstood abroad, no matter how high the motives are, such as the Senator from Iowa and my colleague from Nebraska undoubtedly are moved by. I think, moreover, that action is impossible, as we all know. We are now here within a few weeks of adjournment, as I have stated before. The business before us is probably more than we can attend to. To attempt at this time to enter into any serious discussion of this question is folly. There is no possible good to be derived from it.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield further to his colleague?

Mr. HITCHCOCK. I yield for a question. I will ask my colleague not to interrupt me.

Mr. NORRIS. I do not want to be placed in the attitude of criticizing the President. I have not offered any criticism. I have asked the Senator a question, and I want to repeat it. Does he believe any action taken by the Senate on the President's note would detract from its beneficial influence?

Mr. HITCHCOCK. I will answer yes, in order to make it short.

Mr. NORRIS. Then let me ask the Senator another question. Did he have that idea in view when he introduced the resolution in regard to the President's former note, asking the Senate to approve it, and which the Senate passed? Was he considering that it would detract from the effect of the President's note on that occasion?

Mr. HITCHCOCK. Mr. President, I think it is hardly necessary for my colleague to criticize my action on that occasion. I am entirely satisfied with my effort and entirely satisfied with the nonpartisan verdict by which the Senate passed my resolution and indorsed the President's action.

But now, Mr. President, let me refer briefly to some of the criticisms made by the eminent Senator from Iowa upon the President's address.

Mr. BORAH. Mr. President, may I make a suggestion? I do not wish to interrupt the Senator, but if this is going to a debate the Senator must understand that the debate is going to be continued. I have hesitated to push another resolution because I have no desire to force an extra session, but this address has been delivered here, it is of tremendous consequence and of tremendous moment, and if it is going to a debate, of course it is going to be debated. We should have a full and free presentation of all views.

Mr. HITCHCOCK. Mr. President, I am willing to have unanimous consent for an immediate vote upon the resolution of the Senator from Iowa.

Mr. CUMMINS. That means—

Mr. HITCHCOCK. I am willing to discontinue the debate immediately, if that is the general consensus of opinion.

Mr. WILLIAMS. Let us vote now on the resolution. Let us get unanimous consent to vote.

Mr. SMITH of Michigan. Mr. President, the ranking member of the Committee on Foreign Relations, the Senator from Massachusetts [Mr. LODGE], is prepared to address the Senate, and he should have an opportunity to do so, as well as other members of the committee.

Mr. CUMMINS. I wish to ask the Senator from Nebraska upon what he asks for unanimous consent?

Mr. HITCHCOCK. I understood a note of criticism in the remarks of the Senator from Idaho [Mr. BORAH], because I was proceeding to reply to some of the criticisms of the Senator from Iowa. I have not any desire to take up the time of the Senate. I am ready to vote now upon this resolution or to vote upon a motion to lay it on the table. I hesitated to make the latter motion, but I certainly do not think it is wise on the part of the Senate to go into an indefinite debate.

Mr. CUMMINS. I suggest to the Senator from Nebraska that my motion to take up the resolution has not yet been disposed of. Does the Senator from Nebraska suggest unanimous consent that my motion shall prevail and that the resolution shall be taken up?

Mr. HITCHCOCK. No.

Mr. WILLIAMS. To take a vote on the motion and vote it down.

Mr. CUMMINS. Why vote it down?

Mr. WILLIAMS. Vote down the motion.

Mr. CUMMINS. We can not tell. The Senate may not vote it down.

Mr. HITCHCOCK. Mr. President, I shall proceed for a few moments, inasmuch as unanimous consent seems to be out of the question, to reply to one or two of the criticisms made by the Senator from Iowa. His whole criticism is based upon the obvious error and assumption that President Wilson proposed a program to the United States and to the other nations of the world. The President was careful in his address to confine himself to the declaration of certain principles upon the adoption of which the United States might enter into a league to enforce the peace of the world. The President made no attempt to say what forces there should be or who should control them. He put emphasis upon the idea of disarmament rather than upon force. His idea was that the nations of the world should reverse their action of the past in preparing for war and reduce their armaments. He said nothing about a court to enforce the decrees. He said nothing about an independent power to supersede all the armies and navies of the world. He said nothing at all in favor of interfering with the internal affairs of the countries of the world. Yet the Senator from Iowa, if I understood him aright, declared that the President had proposed a plan which would result in an independent power of all the nations of the world interfering to suppress an insurrection in a single nation of the world.

Mr. CUMMINS. No, Mr. President; I did not assert that, but the very eminent writer from whom I quoted asserted it.

Mr. WILLIAMS. I think right there in connection with that the Senator from Iowa remarked that if we had another civil war this power might determine it.

Mr. CUMMINS and Mr. BORAH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. HITCHCOCK. I yield to the Senator from Iowa.

Mr. CUMMINS. I beg pardon of the Senator, but what he has stated was a part of the quotation which I made from Albert Bushnell Hart.

Mr. HITCHCOCK. Mr. President, if the other quotations from the eminent authority quoted by the Senator from Iowa were of equal folly, they were certainly worthy of no consideration here at all, because if there was one thing in the President's address that was noticeably emphasized it was that every people should be left free to determine its own policy, its own way of development, unhindered, unthreatened, and unafraid.

Mr. CUMMINS. But not to go to war.

Mr. HITCHCOCK. So that the suggestion which I supposed the Senator from Iowa had indorsed, that a new central power to be created was to interfere in case of threatened insurrection, was obviously a straw man put up for purposes of destruction.

Mr. CUMMINS. But, Mr. President, I said nothing of the sort. Some people might think the President's policy might lead to that result, but I was treating it solely from an exterior standpoint—the conflict between nations. Prof. Hart, however, is quite as firm an admirer of the President as can be the Senator from Nebraska.

Mr. HITCHCOCK. Well, Mr. President, the Senator from Iowa seems in some way to have gathered from the President's address the idea that this league of nations, which the President suggests, and which I think he should have the thanks of the American people for suggesting, involves in some way the creation of a new military and naval power in the world. He seems to think the President suggested an independent power to deprive nations of their sovereignty. Such a suggestion does not appear anywhere in the address, and it does not appear in the practice of nations. At this very moment we have two great leagues in the world fighting a war, and yet they have no supreme power; each one has its own navy; each one has its own army; and they are bound together simply by an agreement that they have made. We in the United States have been engaged in making treaties with the other nations of the world now for over a century—

Mr. LIPPITT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Rhode Island?

Mr. HITCHCOCK. I will do so if the Senator will permit me to conclude this portion of my statement. It is hard for one who reads the President's address in a sympathetic spirit to see that it suggests anything else than a league of the nations of the world, bound by joint treaties with each other to live up to certain great principles for the welfare of humanity and the peace of the world. There is no thought and no suggestion here of militarism or of navalism in another form. On the contrary, the opposite is true. The suggestion is of disarmament; the suggestion is of smaller navies; the suggestion is of smaller

armies; the suggestion is of justice and reason to take the place of force and violence.

Mr. LIPPITT. Mr. President, will the Senator from Nebraska yield for a question?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Rhode Island?

Mr. HITCHCOCK. I yield for a question.

Mr. LIPPITT. If the President's address does not mean something similar or along the line of the doctrine which was quoted by the Senator from Iowa [Mr. CUMMINS] from Prof. Hart, what is the meaning of the President's expression in that address that the United States must join the force and authority of this nation with the force and authority of other nations to enforce their decrees? Does not that expression "force" mean join the Armies and Navies of the United States to the armies and navies of the other nations? I do not know what other interpretation could be put upon it.

Mr. HITCHCOCK. Mr. President, I repeat the President of the United States has proposed no program, but he has laid down certain principles which he outlines, which he does not even propose now for adoption. In the very outset of his address he assured the Senate that he desired merely to disclose to Senators without reserve the thought which had been in his mind.

Mr. CUMMINS. The thought and purpose.

Mr. WATSON. Mr. President, will the Senator from Nebraska yield to me?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Indiana?

Mr. HITCHCOCK. I yield to the Senator from Indiana.

Mr. WATSON. I should like to ask the Senator from Nebraska to place an interpretation on these two sentences in the President's address:

That service is nothing less than this, to add their authority and their power to the authority and force of other nations to guarantee peace and justice throughout the world.

And, again—

It will be absolutely necessary that a force be created as a guarantor of the permanency of the settlement so much greater than the force of any nation now engaged or any alliance hitherto formed or projected that no nation, no probable combination of nations, could face or withstand it.

Does that not mean military force? Does not that mean military power? Does not that mean a combination of army and navy? If not, what does it mean?

Mr. HITCHCOCK. Well, Mr. President, undoubtedly it means potential force; but the mere fact that the great powers of the world unite in a league for peace and make solemn pledges to each other to support certain great principles of government and certain great international policies will be sufficient to preserve the peace of the world, just as the creation of a police force in a city has the effect to establish order. So if the nations of the world can enter into a solemn agreement with each other that they will recognize the rights of man; that they will recognize the right of self-government; that they will recognize the rights of small nations; that they will not go to war without first submitting the question at issue to arbitration and to conference—if such an agreement can be made, including the guarantee of the freedom of the seas, including the agreement upon a great reduction of armament—an enormous advance will be made toward establishing permanent peace. With the powers of the world all united upon certain great purposes for the admitted good of humanity, what reason is there to believe that any considerable power is going to rend such an agreement asunder after the terrible experiences of this war?

Does any Senator here doubt that every great nation of Europe regrets having been drawn into this war? Does any Senator here doubt that after this war is closed there will be such a development of democratic sentiment and of popular government in the nations of the Old World that such a war hereafter will be very difficult to force upon the people?

Mr. President, personally I have this idea, to which I have clung concerning the peace of the world in the future. I believe that the future peace of the world is going to depend largely on two great reforms: First, self-government, because a people that govern themselves are going to be very slow to go to war; second, upon the publicity of diplomacy. It is secret diplomacy and the act of a few individuals in the great nations of Europe that have drawn the world into this terrible struggle; but every intelligent person who has read the signs of the times believes that, after this war is over, a new era will begin. There will be a determined movement of the people, a great development of the democracies of every country of the Old World, to attain to something of the conditions which we have in the United States, in which war can only be declared by the

legislative body, representing the people of the country, and in which treaties, before they go into effect to bind the country, must be submitted for ratification to the representatives of the people. Such a movement is already under way in Great Britain and has been for some years, but it is now gathering tremendous force. We shall live to see the day when secret diplomacy shall be ended in Great Britain and France and Germany and Russia; we shall live to see the day when war can only be declared by the representatives of the people in their parliaments or in their congresses. When such a time comes, do Senators think that any country will lightly break the agreements of the league to enforce peace that may be the great work of the future?

Mr. President, it seems to me that the Senators on the other side of the Chamber have a rather grave responsibility in this emergency. It seems to me that the people of the United States who in a rather nonpartisan way voted for the President because they knew he stood for peace, because they knew he would exert the great powers of his office for peace, are going to hold to a strict accountability public servants who undertake from partisan motives to handicap or to impede the work which our great President has undertaken.

I feel confident that if any Senator on the other side of the Chamber tests public opinion in his own State he will find a great percentage of his Republican constituents as well as Democratic believe that the President has done a great thing, has done a noble act, has done an act that starts a new chapter in the history of the world. Those citizens will not be very tolerant with anyone who stands in the way of the success of that act, even though it is encompassed still with great difficulties and tremendous obstacles. There are obstacles, and the difficulties that are in the way are tremendous; but the object is so great that this country can well afford to take the lead in securing that object.

Mr. President, the present war has shown to the people of the United States that they are interested in the affairs of the world. So long as this war continues, it is an enormous embarrassment to the people of the United States; it is a great danger to the people of the United States at the present time. When this war broke out only a few countries of the world were engaged in it. All of the others declared their neutrality in the hope of staying out of it; but, one by one, other nations have been drawn into it, until to-day 13 nations of the world are involved in it. If it lasts long enough, others are likely to be drawn into the awful disaster.

Mr. THOMAS. Including ours.

Mr. HITCHCOCK. As the Senator from Colorado says, perhaps including ours. We do not know, but certainly the possibilities are terrible enough to warrant us, even from the most selfish of motives, to do all that we can to put an end to the struggle. Even if we were not moved by the cries of humanity; even if our hearts had become so hardened that we did not respond to the sufferings of the wounded and the dying by the millions; even if we had no sympathy for poor Europe that seems to be going to its ruin; even if we had no thought for possible anarchy that may come after this war, yet on the most selfish and narrow lines we have a deep interest in bringing it to a close.

Mr. President, I believe the President of the United States in delivering this message to the Senate has not only carried out the will of his party as expressed in the platform of St. Louis and carried out the instructions of the people of the United States at the last election, but I believe he has taken the step which will serve to develop and expand the great principles which lie at the very foundations of our Government.

When the thirteen Colonies, with their 3,000,000 people, declared themselves free and undertook to set up an independent government in this country there was a feeling that they could live by themselves and unto themselves. That time has gone by. The 3,000,000 people have become a hundred million people. The little string of States along the Atlantic coast has been stretched clear to the Pacific Ocean, and we now touch, as the result of the Spanish War, whether we desire it or not, the politics of Asia on one side, as we do the politics of Europe on the other side. New York and the Atlantic coast, which were a month or six weeks removed from Europe at the time our Republic was established, are now almost across the border from Europe. Time has almost ceased to be of importance between the Atlantic coast and the harbors of Europe.

The war broke out, and we found the whole affairs of the United States upset. We find our commerce roughly changed in its course; we find ourselves unable to carry on legitimate business with certain belligerents of Europe; we find our mails upon the seas seized in violation of international law; we

find ourselves prohibited from doing the business with neutral countries of Europe that we have the right to do under the terms of international law; we find vessels with Americans on board sunk in violation of international law. This administration now for more than two years has been struggling with these terrible difficulties and dangers. It has met with a success which has commended itself to the American people, but it may not be able to go on indefinitely. If this war goes from one chapter to another, and becomes in its final stages the desperate struggle of exhaustion and starvation, which it is likely to become if peace is not secured, the United States will have dangers to encounter which have not yet been encountered. So I say, Mr. President, we have a deep interest in anything that can be done to shorten this war. The President has taken a step, the first purpose of which is to shorten the war. Its second purpose is to secure, if possible, a league to enforce peace, if that peace can be established and that league can be formed upon well-accepted American doctrines of justice and right and self-government.

Now, will any Senator do anything here that will serve to embarrass the President in his great work? If Senators are willing to interrupt the legislative program, if they are willing to make an extra session of this Congress necessary, will they still, beyond that, take up the time here in useless discussion upon a matter not before the Senate and for a purpose which the American people will interpret to be a purpose to embarrass the President?

Mr. President, I perhaps have gone further than I intended to go in making some reply to the remarks of the Senator from Iowa [Mr. CUMMINS]. I hope we may now lay aside this matter, which is already in the hands of the Committee on Foreign Relations, referred there by the vote of the Senate, and not properly before the Senate for discussion at this time. No possible good can come from a discussion; and the inevitable interpretation of an effort to prolong the discussion will be that an attempt is being made to embarrass the President of the United States in a work which he has undertaken for the good of humanity, as well as in furthering the vital interests of the United States. I do not know whether it is possible to secure any agreement for a vote. I hope the Senator will not force me to resort to a motion to lay his motion on the table, but at some time that motion must be made if an end is not agreed upon to the discussion, because we must go on with the legislative work that is now pressing upon the Senate.

Mr. LODGE. Mr. President—

Mr. CUMMINS. Mr. President, I am not interposing any objection.

Mr. LODGE. Mr. President, am I recognized?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Massachusetts?

Mr. LODGE. I do not desire to interrupt the Senator from Nebraska. I thought he had concluded. I desire to be recognized in my own right.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. LODGE. Mr. President, moving to lay this motion on the table to-day would not prevent its renewal at any future time.

While I was absent I believe the Senator from Michigan stated that he understood I desired to speak upon this subject. I do; that is true. I intend to speak upon it briefly in the course of a few days, and I do not believe the Senate will refuse me that privilege. I do not believe, Mr. President, that it is possible to undertake to gag Senators and prevent their discussing any matter of importance not placed here by them but brought here by the President.

It is a question of great moment that has been brought here. It is in the public mind. There was a day in this country when it was undertaken even to deny the right of petition and prevent the discussion of slavery, but you can not prevent this discussion any more than you could prevent the discussion of slavery. What is in the public mind is going to be discussed. Discussion is not going to be prevented here or in the other House or in the press or anywhere else, and an attempt, I think, to prevent Senators from reasonably discussing the subject will hinder and not advance business. I am as anxious as anybody to have all the necessary business performed before the 4th of March, and I will do anything in my power to advance it; but I do not think that we shall reach that result by attempting to prevent Senators from speaking on this or any other subject which they deem of importance and which has been brought properly before the Senate, as this has been by the President.

No one appreciates more keenly than I do, Mr. President, the grave responsibility which rests upon all of us. It is a responsibility to perform our duty as we see it, and no threats from the

Senator from Nebraska are going to deter me or any other Senator from doing his duty as he sees it. We may be easily terrified, but we are not so easily terrified as that, and I think the best way is to allow the matter to go on in its natural manner. There is no desire on this side to delay the necessary business of the Senate.

Mr. HUGHES. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from New Jersey?

Mr. LODGE. I yield to the Senator.

Mr. HUGHES. The Senator, I think, was not in the Chamber when the colloquy arose between the Senator from Nebraska [Mr. HITCHCOCK] and the Senator from Idaho [Mr. BOBAH]. In that colloquy the Senator from Idaho, as I understood, intimated very strongly that if any further attempt was made to discuss this resolution on this side of the Chamber, it would lead to a protracted and prolonged discussion by Senators on the other side of the Chamber, who were against the resolution. That was what I gathered from his remarks, which caused the Senator from Nebraska to signify his willingness to cease the debate then, so far as he was concerned, and get a vote upon the pending motion by unanimous consent, or, in order to stop all further debate, to move to lay the resolution on the table.

Mr. LODGE. The resolution of the Senator from Iowa merely provides for fixing a time to discuss a particular subject. I have not the slightest desire to prevent a vote on that resolution.

Mr. HUGHES. That was all that was suggested.

Mr. LODGE. I have no desire to do that. I rose to say that I was not going to speak on the question of giving us time for the discussion. I wish to speak on the main question, the question which the Senator from Iowa [Mr. CUMMINS] has discussed with such ability and which the Senator from Nebraska [Mr. HITCHCOCK] does not wish others to speak of, although he himself has been discussing it for nearly three-quarters of an hour.

Mr. HUGHES. Mr. President, I am sure the Senator from Nebraska and a great many other Senators would like to have this situation cleared up to the extent of finding out whether or not there is objection on the other side to vote upon the resolution of the Senator from Iowa.

Mr. LODGE. It is not my resolution. I have not the slightest objection in the world to voting on it.

Mr. HUGHES. That is what I desire to find out.

Mr. LODGE. A vote on this resolution will not prevent the discussion of the matters which are involved.

Mr. HUGHES. I have been here long enough to know that nothing prevents the discussion of anything in the Senate.

Mr. CUMMINS. Mr. President, let me suggest to the Senator from New Jersey that if he will help me to carry the motion which I have made, and no further discussion upon it is desired, we can easily get a vote on it; but we can not get a vote on the resolution until it is before the Senate.

Mr. WILLIAMS. Mr. President, everybody knows that no practical good is sought or expected or can be attained by this discussion at this time. There is not an honest man in the Chamber who would say that he expects any practical legislative result of any description from this discussion. The Senator from Massachusetts [Mr. LODGE] says there is no desire to delay the business of the Senate. Nobody cares what anybody's desire is, the act of delaying the business of the Senate is going on without any practical purpose in view.

The Senator from Massachusetts is exactly right. You can not prevent a Senator from talking upon any subject under the sun, but you can put him in the ridiculous attitude of talking about nothing before the Senate, and when a motion is made you can bring the Senate to a vote upon that motion by moving to lay that motion upon the table. Thank God, the Senate has that one privilege left as a legislative body. Its other functions seem to be purely deliberative.

A motion has been made to take up a certain resolution, and that is the motion now pending. I do not think any Senator owes any apology to anybody when there are only 29 or 30 working days of this session left, when he undertakes to stop the useless or worse than useless expenditure of public time by moving to lay that motion upon the table, and I therefore make that motion now.

Mr. CUMMINS. Upon that, Mr. President, I call for the yeas and nays.

The yeas and nays were ordered.

Mr. HITCHCOCK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Lippitt	Smith, Ga.
Bankhead	Gronna	Lodge	Smith, Mich.
Borah	Harding	Martin, Va.	Smith, S. C.
Brady	Hitchcock	Martine, N. J.	Smoot
Brandegee	Hollis	Myers	Thomas
Bryan	Hughes	Nelson	Thompson
Chamberlain	Husting	Overman	Townsend
Chilton	James	Pittman	Underwood
Clapp	Johnson, Me.	Poindexter	Vardaman
Clark	Johnson, S. Dak.	Ransdell	Wadsworth
Culberson	Jones	Saulsbury	Warren
Cummins	La Follette	Shafroth	Watson
Curtis	Lane	Sheppard	
Fall	Lewis	Shields	

Mr. LEWIS. I have been requested to announce that the Senator from Maryland [Mr. SMITH] and the Senator from Arkansas [Mr. ROBINSON] are detained on account of official business.

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. There is a quorum present. The Senator from Mississippi [Mr. WILLIAMS] moves to lay on the table the motion of the Senator from Iowa [Mr. CUMMINS]. Upon that question the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CLAPP (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. In his absence I withhold my vote.

Mr. CLARK (when his name was called). I have a general pair with the senior Senator from Missouri [Mr. STONE]. That Senator is absent from the city, and I therefore withhold my vote. If at liberty to vote, I would vote "nay."

Mr. JONES (when his name was called). Upon the announcement I made on the other roll call I withhold my vote on this matter.

Mr. MYERS (when his name was called). I transfer my pair with the junior Senator from Connecticut [Mr. MCLEAN] to the junior Senator from Arizona [Mr. SMITH] and vote "yea."

Mr. SAULSBURY (when his name was called). I transfer my general pair with the junior Senator from Rhode Island [Mr. COLT] to the senior Senator from Tennessee [Mr. LEA] and vote "yea."

Mr. SMITH of Michigan (when his name was called). I have a pair with the junior Senator from Missouri [Mr. REED]. I transfer that pair to the junior Senator from Maine [Mr. FERNALD] and vote "nay."

Mr. THOMPSON (when his name was called). I have a pair with the junior Senator from Illinois [Mr. SHERMAN]. I transfer that pair to the senior Senator from Oklahoma [Mr. GORE] and vote "yea."

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the junior Senator from Maryland [Mr. LEE] and vote "yea."

The roll call was concluded.

Mr. CURTIS (after having voted in the negative). I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the senior Senator from California [Mr. WORKS] and will let my vote stand.

Mr. GALLINGER. I inquire whether the senior Senator from New York [Mr. O'GORMAN] has voted?

The PRESIDING OFFICER. He has not.

Mr. GALLINGER. I am paired with that Senator. I transfer the pair to the junior Senator from Utah [Mr. SUTHERLAND] and vote "nay."

Mr. WALSH. I have been requested to announce that the Senator from Ohio [Mr. POMERENE] is detained on official business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Mexico [Mr. CATRON] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN].

The result was announced—yeas 38, nays 30, as follows:

YEAS—38.

Ashurst	Hollis	Overman	Smith, Md.
Bankhead	Hughes	Phelan	Smith, S. C.
Beckham	Husting	Pittman	Thomas
Broussard	James	Ransdell	Thompson
Bryan	Johnson, Me.	Robinson	Underwood
Chamberlain	Johnson, S. Dak.	Saulsbury	Vardaman
Chilton	Lane	Shafroth	Waish
Culberson	Lewis	Sheppard	Williams
Fletcher	Martin, Va.	Shields	
Hitchcock	Myers	Smith, Ga.	

NAYS—30.

Borah	Gallinger	Martine, N. J.	Sterling
Brady	Gronna	Nelson	Townsend
Brandegee	Harding	Norris	Wadsworth
Cummins	Kenyon	Oliver	Warren
Curtis	La Follette	Page	Watson
Dillingham	Lippitt	Poindexter	Weeks
du Pont	Lodge	Smith, Mich.	
Fall	McCumber	Smoot	

NOT VOTING—28.

Catron	Hardwick	Newlands	Simmons
Clapp	Jones	O'Gorman	Smith, Ariz.
Clark	Kern	Owen	Stone
Colt	Kirby	Penrose	Sutherland
Fernald	Lea, Tenn.	Pomerene	Swanson
Goff	Lee, Md.	Reed	Tillman
Gore	McLean	Sherman	Works

So Mr. CUMMINS's motion was laid on the table.

INDIAN APPROPRIATIONS.

Mr. ASHURST. I ask unanimous consent that the Senate proceed to the consideration of the Indian appropriation bill.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 18453) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1918.

The PRESIDING OFFICER. The pending amendment will be stated.

The SECRETARY. The pending amendment is on page 25, where it is proposed, in line 12, to strike out "in all, \$21,700," and to insert "for new school building, \$12,000; in all, \$33,700," so that the paragraph, if amended, will read:

For support and education of 100 Indian pupils at the Fort Bidwell Indian School, California, including pay of superintendent, \$18,200; for general repairs and improvements, \$3,500; for new school building, \$12,000; in all, \$33,700.

Mr. LANE. Mr. President, the Senator from North Dakota [Mr. GRONNA] I think misunderstood my question with regard to the Fort Bidwell boarding school. I was not opposed, and am not opposed, to the establishment of Indian schools anywhere. I have become, I must say, a little bit skeptical in regard to the amount of good they do and in the manner in which they are being conducted and in which they have been conducted in the past. I am sorry to say so, but as a matter of fact their standards and the methods of management of those schools have not been just what the Indian is entitled to, in my opinion, or what the Members of this body and the other House of Congress believe them to be.

I am informed that the school at Fort Bidwell is located in an old fort, or barracks, buildings left there by the Army in the days when that country was being guarded against the depredations of Indians; and I assume and do not doubt that they are in a bad state of repair. If they are, and if they have been for years, it is quite natural that it would not be a good place to educate children or to keep them. Children taken from their homes and put into schools, young children, mere children, are much impressed with their surroundings; and so I was in favor of the expenditure of money to build new and better buildings. Yet other institutions, where the buildings are newer and where the surroundings are, I presume, better than they are in that old barracks, are not carried on in a manner which justifies the expenditure of the money. The children would learn about as much and be better cared for in properly conducted day schools at home.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Oregon yield to the Senator from North Dakota?

Mr. LANE. I yield.

Mr. GRONNA. I hope that anything I may have said will not be understood either by the Senator from Oregon or by any other Senator as a criticism of him. I certainly did not intend to criticize the Senator from Oregon. What I did say was that many of these mistakes are the mistakes of Congress. If these schools are not conducted properly, then it seems to me it is the duty of Congress to change the conditions and make them such that those who are in control of these wards of the Nation will be properly taken care of. It is in the power of Congress to do that, and if Congress fails to do it then we have failed to do our full duty.

Mr. LANE. Mr. President, I do not quite agree with the Senator upon that matter. Congress gave authority to a body of executive officers to do this work for them, so that they would not have to attend to it themselves. Congress can not go about the country supervising the conduct and management of children and of schools, inspecting their clothing and their

food, and doing the thousand and one other things which it is necessary to do. They must and did delegate that authority to some one else. We receive our knowledge from the Bureau of Indian Affairs, whose specific duty it is to deal with these matters. The information should come to us in direct, simple, and explicit form, and it ought to be reliable, too, withal. That would allow us, then, either to do our duty or fall to do it, and the responsibility in that event would be upon us. But we receive all our information regarding the conduct of the affairs of the Indians from the Indian Bureau, whose duty it is to furnish it to us. They do so in a manner which is meager, unillustrating, and without a full statement of the facts.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon further yield to the Senator from North Dakota?

Mr. LANE. I yield.

Mr. GRONNA. If the Senator will pardon another interruption, I also called attention to certain reports made by commissions appointed by the Congress. I called especial attention to the report made by the commission of which the distinguished Senator from Arkansas [Mr. ROBINSON] was chairman, and I asked the question, How many of the Members of the Senate have studied that report?

I will say to the Senator from Oregon that we have information gathered by these commissions, and it is valuable information. We do not derive our information altogether from the Indian Bureau, because these commissions have made extensive reports which would be very valuable if they were followed out.

Mr. LANE. There is truth in the Senator's statement. The reports of commissions are innumerable and without end; but I do not think any Senator has the time to read all of them, although really it is our duty to do so, and I suppose we are negligent in that regard. There was an incident which happened at the Fort Bidwell school a short time ago, which I related a day or two ago, where five little girls ran away from the institution into the hills. Evidently they did not like it there. One froze to death, an 8-year-old girl; the feet of two other little girls were frozen and had to be amputated, and two are still in the hospital.

Now, that can not be a homelike institution. The treatment is not of such a nature that a child loves it as it would a home; and even though it were a pleasant place, children do get homesick, and Indians more than the children of any other race with which I am acquainted.

As I say, I am not impressed to the extent that I ought to be, perhaps, with the care and management of these boarding schools for children. I have visited some of them. I visited one a while back where I found leaky buildings, damp rooms, and no heat. The children were attending school in winter weather without heat. That condition was to be remedied before the winter was over, but the place had been allowed to run down through neglect. There were buildings with rotting sills, roofs leaking for lack of a shingle, and everything going downhill and deteriorating, and unnecessarily so, simply for the reason that they had not been kept in repair and given just ordinary care; and an appropriation of thousands of dollars was asked to build new buildings and to repair the old one. The comforts of a home were in a large degree absent. There were barren bedrooms and wards. Children who had come there to be trained in vocations, girls who had come to learn domestic science were kept in the kitchen for year after year washing dishes, peeling potatoes, scrubbing floors, and were unable to cook a meal. It was not a homelike condition, nor one of any particular advantage to the child. Many boys and young fellows were going to school but not learning a trade. In one school that I visited the boys were sent into a dairy to milk the cows, not in order to make dairymen or herdsmen of them, or to teach them to milk, or to separate the milk, or to make butter, but as a punishment, if you please. It was a disgrace to have to milk cows, visited upon them as such.

In one institution in which I visited I passed through a dormitory. It was vacant. I came back to it in half an hour, perhaps, and I saw a little boy in bed crying. I asked him what was the matter, and he said he had been whipped. I said, "For what?" He said, "For floating a boat in a pond." He had been playing with a boat in a pool left by the rain, and he had gotten his feet wet. I said, "Well, you were not hurt very much, were you?" He said, "I was." He was 6 years old, I think he told me, and it hurt, and he was crying. I said, "Well, I guess the woman would not beat you to amount to anything." He said, "She did"; and then she made him go to bed.

Another little fellow in another cot said, "I did not cry." I said, "Well, I wouldn't cry, little fellow, about a little switching." He said, "They don't switch us." I asked, "What do

they do?" He replied, "They take off our clothing, and we are beaten with a piece of rubber hose."

Now, I want you to think of that. I do not know whether you have ever been beaten with a switch or been hammered with a rubber hose; but I will say to you that a length of rubber hose 2 feet long, made of  $\frac{3}{4}$ -inch hose pipe, or  $\frac{3}{4}$ -inch caliber rubber hose, is the next thing to a deadly weapon. You can kill a man with it. I will guarantee you can take any Senator here and take a 3-foot length  $\frac{3}{4}$ -inch hose and beat him to death with it. It is a bludgeon. It leaves no surface mark; there is no such external evidence like a switch would make, but it reaches deep, and is the weapon of a cruel and cowardly person.

Such conditions are not ideal. There must be a change made for the better somehow. The larger boy students could help repair the building, put in tiling for drainage where necessary for drainage, and do the one hundred and one other things none of which are done at this time. We appropriate money for repairs which should be made in the institution itself. It was established to teach children vocational training. Why not give them practical instruction in such ways and at the same time keep the buildings in shipshape and good repair?

Mr. GRONNA. Mr. President—

Mr. LANE. I yield to the Senator.

Mr. GRONNA. I do not disagree with the Senator from Oregon, and I think he has made a much stronger case than I could hope to do. My complaint is that when the Committee on Indian Affairs brings in an appropriation bill providing that Congress shall appropriate a certain amount of money for the welfare of the Indians we are at all times met with the statement that the appropriations are exorbitant.

I will ask the Senator from Oregon, if he will permit me, is it not possible that the appropriations are insufficient, and that it will be impossible for the Indian Office or those whose duty it is to look after these wards to do the work with the amount of money appropriated? For that reason I say that it is the fault of Congress and not the fault of the Indian Office.

Mr. LANE. That is the very point I was trying to make, that with the appropriations they receive, with care and economy and active interest in the affairs of the institution they could make the money go much further, and that much of the money is wasted.

As for the beneficial effect of the appropriation on a child in the way of education I would not like to say. I am beginning to doubt whether those children are securing many of the advantages which we try to obtain for them. I know they fall far short of receiving what they ought to. No; Congress has not done its duty, but is encumbered with the Indian Bureau. There are over 17,000 children out of school, with no opportunity to receive an education. That is wrong. But, on the other hand, much money has been wasted in the building of large institutions, which are mismanaged and neglected after the expenditure has been made.

In regard to those children who went out, one of whom died and the other two lost their feet, the Commissioner of Indian Affairs knew nothing about it. We knew nothing about it. Incidentally I happened to read it in a newspaper clipping which was mailed to me. The Indian Bureau said they had not heard of it.

There was a case which happened in another school which I dislike to relate. A young girl was taken sick. The physician diagnosed the case as pneumonia. She grew worse during the night. She had been placed in a hospital. They telephoned to the physician, who was away at a dance, as was the nurse. Two other Indian girls, 15 and 16 years old, were with her. The physician telephoned back to place here in a hot bath. They did, and in that bath she gave birth to a child. The child died in the bathtub, and the girl mother a few days later also died. There were the two witnesses. One of them, I am informed, was sent to Alaska and the other to Montana. Was that physician dismissed? The Indian Bureau kindly asked him to go hence, and he was put upon another reservation, and the superintendent placed in charge of a reserve in another State.

We have no way of getting information in regard to the management of Indian affairs except incidentally. Congress has not time to be hunting down individual cases of injustice and wrong. It must go on with the larger work of looking after and attending to affairs in a general way. We have not time, as was shown here to-day, to attend to all of the ordinary affairs of legislation which are pressing upon us without full information concerning them. There are thousands of bills and resolutions before the body. No man has time to study them all or even to read them all. If he did, he would go insane; he can not analyze one-half of them. The bureau "system," as

I said before, must be changed. There must be some simpler method. This one has grown for years and years with one error piled upon another for the reason that the whole method and foundation of it is wrong. It is on a wrong foundation.

The Senator called attention to the fact that we had never done our duty by the Indians; that most wars were brought on through our injustice to the Indians; that we took their land away from them, and have not made an adequate return. That is true. I think I know that as well as the Senator. I have a copy of a report here that was made in 1857 upon Indian affairs on the Pacific to the President of the United States, who at that time was Franklin Pierce; it was made by Jefferson Davis when he was Secretary of War. The report is full of instances of injustice done to the Indians, and the manner in which wars were brought about, and how the Indians suffered, and the inordinate greed and injustice of the white race in securing possession of their land and other property.

One instance is related here of some Indians up in northern California who were invited to dinner by a certain captain. It was a local title; he was not a military officer, but he had gone to look out for some Indians who had been in trouble with some whites. The captain went up into that country and failed to find them, but happened to come across a number of friendly and innocent Indians, about 40 in number, and invited them to his camp at night for dinner. While they were eating he killed them—men, women, and children—and scalped them and took their scalps down and paraded himself as a hero in one of the northern towns of California. That brought on trouble with all the surrounding Indians. There is a report on it here from one of the Government officers, and the old Indians will tell you about it. I have heard them relate the circumstances and narrating the incident as it is reported here in the official report.

That brought on a war.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The SECRETARY. The next amendment passed over is, on page 25, line 17, to strike out "in all, \$21,700," and insert "for new school building, \$9,000; in all, \$30,700," so as to read:

For support and education of 100 Indian pupils at the Greenville Indian School, California, including pay of superintendent, \$18,200; for general repairs and improvements, including laundry equipment, \$3,500; for new school building, \$9,000; in all, \$30,700.

The amendment was agreed to.

The SECRETARY. The next amendment passed over is, on page 25, after line 23, to insert:

For beginning the enlargement and improvement of the irrigation project upon the Torres Indian Reservation, Cal., for the irrigation of approximately 3,000 acres of Indian land, in accordance with the plans and estimates submitted by the chief engineer in the Indian Service and approved by the Commissioner of Indian Affairs and the Secretary of the Interior, \$25,000, to remain available until expended and to be reimbursed to the United States in accordance with such rules and regulations as the Secretary of the Interior may prescribe: *Provided*, That the total cost of said irrigation project shall not exceed \$150,000.

Mr. SMOOT. May I ask who requested that that amendment should go over?

Mr. ASHURST. I believe the Senator from Georgia [Mr. SMITH] suggested that the amendment should go over.

The VICE PRESIDENT. The Senator from Missouri [Mr. REED].

Mr. SMOOT. I do not know whether the Senator from Missouri [Mr. REED] is in the city or not.

Mr. ASHURST. The amendment was discussed at some length and fully explained last Saturday.

Mr. SMOOT. The only question in my mind was as to what Senator asked that it go over, because I thought he ought to be here if we are going to pass upon it at this time. I will ask the Senator from Arizona whether he knows if the Senator from Missouri [Mr. REED] is in the city or not?

Mr. ASHURST. I do not know. I was not aware until this moment that he is the Senator who requested that it should go over.

Mr. CLAPP. I could not answer the Senator definitely, but I happened to observe that he did not answer to the roll call to-day.

Mr. SMOOT. I knew that, and therefore asked the question.

Mr. PHELAN. I am informed that the Senator from Missouri is now in New York.

Mr. SMOOT. Then I do not ask that the amendment shall go over.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The SECRETARY. The next amendment passed over is on page 27, beginning with line 6, where the committee proposes to insert the following:

That the last proviso of the act entitled "An act to provide for the disposition and sale of lands known as the Klamath River Indian Reservation," approved June 17, 1892, reading: "*Provided further*, That the proceeds arising from the sale of said lands shall constitute a fund to be used under the direction of the Secretary of the Interior for the maintenance and education of the Indians now residing on said lands and their children," be, and the same is hereby, amended to read:

"*Provided further*, That the proceeds arising from the sale of said lands shall constitute a fund to be used under the direction of the Secretary of the Interior for the maintenance and education of the Indians and their children now residing on said lands and for the construction of roads, trails, and other improvements for their benefit."

Mr. LANE. On this amendment I will say that the Indians have petitioned to have these funds divided among them pro rata in order that they may improve the allotments which have been granted to them and which they are unable to farm for lack of funds. I had forgotten that I had raised a point against the amendment, but I was going to suggest that a proviso be placed in it that they, under the direction of the Secretary of the Interior, shall be paid per capita for the maintenance and improvement of their home allotments. If that amendment would be acceptable, I should like to offer it.

Mr. CLAPP. I think the chairman of the committee will accept the amendment.

Mr. LANE. I ask the Senator from Arizona if he will accept the amendment?

Mr. ASHURST. I have no objection to the amendment, and as far as I have the power or authority I accept it.

Mr. LANE. I move, then, that it be divided per capita among the Indians, under the direction of the Secretary of the Interior, to be used for the improvement of their homes and allotments.

Mr. SMOOT. If that is adopted, it is absolutely contrary to the first proviso.

Mr. LANE. Let the Senator make no mistake. The land will be sold, and then it will be administered for the building of trails. Of course it will be a benefit, it says so; but if you divert it to the use of the Indians for the maintenance of their homes and the improvement of their allotments, they will have a greater benefit.

Mr. SMOOT. Then the Senator does not want to amend it by a proviso?

Mr. LANE. Yes; I propose to amend it in that manner.

Mr. FALL. I wish to suggest to the Senator unless there is an absolute direction that these funds shall be used in this way, and no other, they can at the present time be used in exactly this way in the discretion of the Secretary of the Interior.

Mr. LANE. For the improvement of the homes?

Mr. FALL. Certainly. The maintenance of the Indians for the improvement of their homes in his discretion, and all you are proposing to do is to leave it to his discretion.

Mr. LANE. There is this difference: If it remains as it is, it will be administered so that the Indians will get none for their homes, and their desire is to have it diverted so as to have the money paid to them per capita.

Mr. FALL. I certainly have no objection, but I do not think the Senator improves it by his amendment.

Mr. LANE. It is to be paid per capita to the Indians for such use as they see fit.

Mr. SMOOT. May I ask the Senator a question? Is it the Senator's intention to strike from the proviso the expenditure of this money for the construction of roads, trails, and other improvements for the benefit of the Indians?

Mr. LANE. It is my intention to get the money into the hands of the Indians to improve their homes and their farms. That is what they ask for. They petition for that. Is not that simple, plain English and a definite purpose? That does not mean building trails.

Mr. TOWNSEND. May I ask the Senator what the provision would be if his amendment is adopted?

Mr. LANE. My understanding is that this timber, and I think it is valuable timber, worth millions upon millions of dollars, shall be sold and that the money is to be paid the Indians under the supervision of the Secretary of the Interior, to be expended upon the building of homes, the purchase of plows and horses, and for breaking up the land.

Mr. TOWNSEND. Do I understand the Senator to offer that as a proviso?

Mr. LANE. As an amendment. I propose to strike out all other purposes.

Mr. TOWNSEND. Then the Senator would offer it as a substitute.

Mr. LANE. As a substitute or an amendment.

Mr. FALL. I should like to ask the Senator, who is familiar with the conditions existing there, whether if this money is divided among the Indians per capita they will get the same use of it in the improvement of their lands?

Mr. LANE. Not all of them. A majority of those Indians are very shrewd and capable business men. There are some of them that are incompetents, and I suppose they will go off and spend the money foolishly; but the Indian has a right once in a while to spend his money foolishly if he wants to do so; but they have never had any of it to expend so far.

Mr. FALL. I merely wanted to understand whether it was the Senator's idea that this money was to go to the individual Indian to be used as he pleased.

Mr. LANE. Under the supervision, we will say, of the farmer.

Mr. FALL. If he goes off on a spree, then, the farmer must go along with him?

Mr. LANE. If that is for the improvement of his farm; yes; but there is no whisky in that territory; it is dry territory.

Mr. FALL. My experience, having had a little to do with two or three farms, is that one farm may cost \$1,000, we will say, to put it in proper condition for production, and another may cost \$10,000, and the expenditure of each sum is absolutely necessary to achieve the result; but the Senator is proposing to divide this money per capita.

Mr. LANE. Yes.

Mr. FALL. All right; it is not my business; I have nothing to do with it.

Mr. CURTIS. Mr. President, these Indians have about \$25,000 in the Treasury from the sale of timber. Under existing law it can be used "for the maintenance and education of the Indians now residing on said land and their children."

Now, it is desired to add another provision, to the effect that this money may be used "for the construction of roads, trails, and other improvements for their benefit." It seems that about 13 miles on the reservation are not covered by roads or trails, and the department says that it is very important to have authority to build the needed roads and trails so that the Indians may get their products to market. It is not the intention to use all the money for that purpose, but merely to use what is necessary to build the trail or road. It is still proposed to use a part of the money for the purposes mentioned in the first proviso; that is, for education and maintenance.

Mr. LANE. Mr. President, my attention had been diverted for a moment, but I am informed that the amendment has been adopted. It is therefore useless to discuss it further.

Mr. TOWNSEND. The Senator ought to put his amendment in such shape that it would amount to something.

The VICE PRESIDENT. The Secretary has not the amendment to the amendment which is intended to be proposed by the Senator from Oregon.

Mr. CURTIS. I suggest that we pass over the amendment and return to it later, which will give the Senator the opportunity to draw his amendment to meet the conditions which he desires to remedy.

The VICE PRESIDENT. The amendment will be passed over. The Secretary will state the next committee amendment which was passed over.

The SECRETARY. The next amendment which was passed over at the instance of Mr. GRONNA is, on page 38, after line 3, where the committee proposed to insert the following clause:

That the Secretary of the Interior is hereby authorized to expend the sum of \$22,400 from any money now available for construction of irrigation systems on the Blackfeet Reservation, in Montana, in the purchase of lands embraced in the allotments of George W. Cook and David La Breche, described as lots 3 and 5, section 27, and lots 1 and 2, section 34, township 32 north, range 13 west, together with all the improvements thereon, in consideration of the relinquishment by the allottees of all their right, title, and interest in and to said lands and improvements, and of their right to select lieu land under the provisions of section 14 of the act of June 25, 1910 (36 Stat. L., pp. 855, 859), and the release of all their claims whatsoever against the United States or the Blackfeet Tribe of Indians by reason of said lands being required for reservoir purposes in connection with the irrigation system on the aforesaid Indian reservation.

Mr. GRONNA. Mr. President, there is appropriated for this reservation \$25,000 for irrigation projects. I thought that to take \$22,400 out of that amount would, of course, leave but a very small sum for any other improvements. This irrigation project, however, is not in my State, but is in the State which the Senator from Montana [Mr. WALSH] in part so ably represents. As I understand, both Senators from that State desire this legislation, and so I wish to withdraw my objection to it.

Mr. SMOOT. Mr. President, I desire to ask the Senator from Montana if the award in this case was not \$20,000 instead of \$22,400?

Mr. WALSH. The award, as shown by the letter which was read yesterday, was something over \$22,000.

Mr. SMOOT. As the letter was read on yesterday by the Senator I understood the award was \$20,000, and that interest had been added.

Mr. WALSH. The award was something over \$22,000; but some time before the award was made a proposition was made by the Indians to take \$20,000. Then, in the settlement and adjustment interest was figured on what they offered to take from the time they offered to take it down to the time that the adjustment was made, and it figured out \$22,400. That was something less than the award.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The Secretary will state the next amendment passed over.

The SECRETARY. The next amendment passed over is, on page 41, beginning in line 11, where the committee proposed to insert:

To enable the Secretary of the Interior to lease for the benefit of the Navajo Indians in New Mexico such railroad lands as he may deem necessary for their welfare, \$15,000, to be immediately available, and to be reimbursed under such rules and regulations as the Secretary of the Interior may prescribe.

Mr. ASHURST. Mr. President, in view of the fact that that item will incur considerable opposition, I have not been wholly satisfied with the justification for it, and I ask the Senate to disagree to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The VICE PRESIDENT. The next amendment passed over will be stated.

The SECRETARY. The next amendment passed over will be found at the bottom of page 53, line 23, where the committee have reported to insert the following proviso:

Provided further, That after the lands have twice been offered for sale at public auction the Secretary of the Interior, under rules and regulations to be prescribed by him, shall cause to be sold to the highest bidder, in such manner and upon such terms as he may deem advisable, the surface of any lands remaining unsold and of any surface lands forfeited by reason of nonpayment of any part of the purchase price.

Mr. ASHURST. Mr. President, with reference to this amendment, the Senator from Oregon [Mr. LANE], who is in the Chamber, is very much opposed to it. I therefore ask that the Senate disagree to the amendment.

Mr. LANE. I second the request.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The SECRETARY. That completes the amendments of the committee which have been passed over with the exception of an amendment on page 27.

Mr. CLAPP. Mr. President, I will ask the Senator from Oregon if he has now prepared his amendment to that amendment?

Mr. LANE. I have my amendment to the amendment prepared.

Mr. CLAPP. Then I will wait for the Senator to offer it.

Mr. FALL. There is one amendment which we passed over, unless it has been reached to-day, from lines 11 to 16, inclusive, on page 41. The amendment was passed over yesterday afternoon.

Mr. ASHURST. If the Senator will pardon me, that amendment has been disagreed to.

Mr. FALL. I did not know that that action had been taken in reference to the amendment.

Mr. ASHURST. Yes; that amendment has been disagreed to.

Mr. LANE. I now offer the amendment to the committee amendment which I send to the desk.

The VICE PRESIDENT. The amendment to the amendment proposed by the Senator from Oregon will be stated.

The SECRETARY. On page 27, line 17, after the word "the" where it occurs before the word "maintenance," it is proposed to insert the words "pro rata improvement of individual Indian allotments and," so that it will read:

Provided further, That the proceeds arising from the sale of said lands shall constitute a fund to be used under the direction of the Secretary of the Interior for the pro rata improvement of individual Indian allotments and maintenance and education of the Indians and their children now residing on said lands.

The VICE PRESIDENT. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. ASHURST. Mr. President, if that concludes the committee amendments, I have one amendment I desire to offer. I do not offer it on behalf of the committee, because I have no

authority to do so, but I offer it in my own right, and I ask that it be read. It is to insert a new paragraph on page 57, after line 11.

The VICE PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 57, after line 11, it is proposed to insert the following as a new paragraph:

That the surface of any segregated coal and asphalt lands of the Choctaw and Chickasaw Nations in the State of Oklahoma which have been or may be condemned under the laws of the State of Oklahoma for State penal institutions or for county or municipal purposes, as authorized by Indian appropriation bill approved March 3, 1909, for State penal institutions or for county or municipal purposes, shall be construed to include the entire estate, except the asphalt reserved.

Mr. ASHURST. Mr. President, the end sought to be accomplished by that amendment is substantially as follows: This provision would affect the title of the State to subsurface lands on which is located the State prison at McAlester, and it is deemed essential that holders of adjacent mining property should not be permitted to invade the land beneath the surface on which the prison grounds are located.

This legislation is asked for by the Senator from Oklahoma [Mr. OWEN], and is regarded as necessary. It will embrace and have to do with about 800 or 900 acres. The authorities of the State take the view that mining under the prison for coal or other material and metals would be a menace to the police jurisdiction of the institution. That is the justification which has been submitted to me.

Mr. SMOOT. Mr. President, as I gathered from the reading of the amendment, it is general in its application.

Mr. LA FOLLETTE. I so understood it.

Mr. SMOOT. It is not limited to any specific acreage. I may be mistaken, but that is as I understood the provision as read.

Mr. ASHURST. Let the amendment be stated again. It may read in that way.

The VICE PRESIDENT. The Secretary will again state the amendment.

The Secretary against stated the amendment.

Mr. SMOOT. Mr. President, that is general legislation on an appropriation bill, and I make the point of order against it.

The VICE PRESIDENT. The point of order is sustained.

Mr. CLAPP. Mr. President, some years ago we passed a law creating a commission to enroll the Chippewas of Minnesota on the White River Reservation. At that time the district court decided that in order to be a mixed blood within the purview of the former law the individual had to have one-eighth Indian blood. Consequently, when this enrollment law was passed it provided that the commissioners should ascertain and designate the quantum of Indian blood in each individual. Subsequently the Supreme Court of the United States held that any degree of mixture was mixed blood within the language of the former law.

Now, the ascertainment of whether an individual is of mixed blood or not is a relatively easy matter compared with the ascertainment of the exact quantum of Indian blood, and the commissioners asked last year that the law be amended by simply providing that they should find whether the allottee was of mixed blood. A provision was inserted in one of the Indian appropriation bills—I think in a bill that failed—and then a bill was introduced in each House to correct this matter. That bill also provided that certain decrees of the probate court should be validated. To that provision of the bill objection was made, and when we reached it the other day on the calendar, owing to the objection, I asked that it be passed over. The department and the commissioners are now all agreed that the law should simply be amended so as to require only the ascertainment and recital of mixed blood, relieving the commissioners of the necessity of ascertaining the quantum of mixed blood. The Indian Office has also asked that the ascertainment shall not be evidence of or in any manner affect the question of the blood status of any other allottee involved in any suit by reason of the relationship of such allottee.

While it is true that this is perhaps general legislation, at the same time it is to carry into effect a law that is already on the statute books, and is one of those exigency matters which demand attention. I should therefore like to have the amendment which I shall send to the desk added at the end of the Minnesota items.

Mr. LANE. Mr. President, would not that amendment involve and complicate the affairs of a great many Indians?

Mr. CLAPP. Not at all. It has no relation, I think, to what the Senator has in mind. He undoubtedly received a letter protesting against that portion of the bill relating to the probate proceedings. This affects the law in no way, except that it relieves the commission of the necessity of ascertaining the

quantum of blood, since the Supreme Court has held that the ascertainment of the quantum is unnecessary, inasmuch as a mixed blood is a mixed blood. I assure the Senator that the amendment is not within the purview of any objection he has in mind.

Mr. LANE. Nor does it interfere with the rolls of the Indians?

Mr. CLAPP. Not in the least. It has been recommended by Secretary Lane in Public Document No. 993, part 2, Sixty-fourth Congress, first session.

Mr. PHELAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from California?

Mr. CLAPP. With pleasure.

Mr. PHELAN. I should like to ask the Senator, who seems familiar with the subject of mixed blood and races, why at one time certain American communities and distinguished statesmen encouraged the mingling of the blood of the Indian and of the white man, and, as I understand, proposed to subsidize marriages between them? Is the Senator aware that such is the historical fact?

Mr. CLAPP. I was not aware that they had ever been subsidized.

Mr. PHELAN. I have here an excerpt from the work of Senator Beveridge entitled "The Life of John Marshall," in which he states that, on motion of Patrick Henry, £10 sterling were offered, in a resolution proposed in the Legislature of Virginia, to white men who would marry Indian women, and Indian women were to be made an allowance for each child, I think, of £5. Such a measure passed second reading in the legislature at about the time when Patrick Henry was elected governor. I am not quite sure whether it was ever enacted into law; but John Marshall, in one of his letters, states that of all the bills introduced in that legislature he considered the measure referred to one of the most advantageous to the country. It is an interesting subject, when we are discriminating here against people of mixed bloods, to know that at one time it was considered a desirable thing in this country. It makes our obligation to the Indian greater and deeper.

Mr. CLAPP. I confess I never happened to run on to that historical fact, and it certainly is a matter of interest.

Mr. LANE. Mr. President, it would be of interest to the junior Senator from Mississippi [Mr. VARDAMAN] if he were here, I am quite sure.

Mr. PHELAN. I am only seeking enlightenment, and I see that I have failed to obtain it.

Mr. PHELAN subsequently said: Mr. President, as the statement I have just made has been questioned, I should like to put the source of my authority in the RECORD, and I ask consent to print it in the RECORD.

The VICE PRESIDENT. What statement?

Mr. PHELAN. Concerning the historical fact that this Government once undertook to encourage intermarriage between the Indians and the whites by a proposition to offer subsidies.

The VICE PRESIDENT. In the absence of objection, permission is granted.

Mr. LANE. Mr. President, I did not criticize the Senator. I hope he does not think I did. I am glad to get that information. It is something entirely new to me, but I knew how it would arouse the ire of my friend from Mississippi [Mr. VARDAMAN].

The matter referred to is as follows:

[From the Los Angeles Express of Jan. 11, 1917.]

"A POET'S FANCY."

In the course of a speech delivered in the Senate December 15 on the immigration bill Senator PHELAN, of California, said:

"Of course ultimately we all look to a homogeneous American population. Disraeli, I remember, once remarked that he regretted that the Republic of the Puritans had not blended with the tribes of the wilderness, for then we would have had a real American nationality. That was a poet's fancy."

The matrimonial assimilation of the Indian thus suggested was something more than a poet's dream. It was very seriously considered not only before but after the Revolution. Patrick Henry, with whose "Give me liberty or give me death" every American is familiar, and whose oration, concluding with "Caesar had his Brutus," etc., has been spouted in every country schoolhouse, was an earnest advocate of intermarriage with the Indian. William Wirt, in his Sketches of the Life and Character of Patrick Henry, is quoted by Senator Beveridge in his Life of John Marshall in support of the statement. Beveridge speaks of Patrick Henry's "pet plan to insure peace between the white man and the red and to produce a better race of human beings; all of which Henry thought could be done by intermarriages between the whites and the Indians. He presented this claim to the house (of the Virginia Legislature) at this same session (1784-85) and actually carried it by the irresistible earnestness and eloquence with which he supported it."

Beveridge states:

"The bill provided that every white man who married an Indian woman should be paid £10 and £5 more for each child born of such marriage; and that if any white woman marry an Indian they should be entitled to £10, with which the county court should buy live stock

for them; that once each year the Indian husband of this white woman should be entitled to \$3, with which the county court should buy clothes for him; that every child born of this Indian man and woman should be educated by the State between the age of 10 and 21 years, etc."

Having passed the house on its first and second reading this bill would have become a law had not Patrick Henry been elected governor of Virginia, and so, as Madison phrased it, "been taken out of the way."

Patrick Henry was not alone in advocating this measure. John Marshall, who became Chief Justice of the United States in 1801, and, holding the office for 35 years, did more than any one other man to convert the States into a Nation, was an earnest advocate of Patrick Henry's measure. In his *Life of John Marshall* Senator Beveridge says: "He earnestly supported Henry's bill for subsidizing marriages of natives and whites and was disappointed by its defeat. 'We have rejected some bills,' writes Marshall (to Monroe, December, 1784) 'which, in my conception, would have been advantageous to the country. Among these I rank the bill for encouraging intermarriages with the Indians.'"

It will be seen, therefore, that while Disraeli's regret may have been, as Senator PHELAN says, but the expression "of a poet's fancy," that "fancy" was a very earnest conviction on the part of such builders of the Nation as Patrick Henry and John Marshall.

Mr. CLAPP. Mr. President, I ask for the adoption of this amendment.

Mr. CURTIS. Mr. President, I will ask the Senator if his amendment embodies the provisions of House bill 14721?

Mr. CLAPP. It embodies the first part, but it eliminates the reference to the probate court—that is, if the Senator has in mind the bill that I think he has.

Mr. CURTIS. I should like to have it read again, so that I may compare it.

The VICE PRESIDENT. The Secretary will state the amendment offered by the Senator from Minnesota.

The SECRETARY. It is proposed to add, at the end of the Minnesota items, on page 35, after line 12, the following:

That the seventh paragraph of section 9 of an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914," approved June 30, 1913, be, and the same is hereby, amended so as to read as follows:

"That the roll herein provided for shall be made in triplicate and shall show the allotment number or numbers, together with the description of the property allotted, and the name, age, sex, and whether the allottee is of full Indian blood or mixed blood. The roll shall also state whether the person named is living or dead; and, if dead, the approximate date of death shall be stated, when it can be ascertained, together with the age of such person at death, as near as practicable. No allotment nor the allottee thereof shall be enrolled where there is a suit now pending, or hereafter commences prior to the completion of such roll, to cancel any conveyance of such allotment until such suit has been finally determined; nor shall the enrollment of any allottee be evidence of or in any manner affect the question of blood status of any other allottee involved in any such suit by reason of relationship of such allottees."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CLAPP. I should like to insert in the RECORD a letter from the Department of Justice of this date, addressed to me and referring to this matter.

The VICE PRESIDENT. In the absence of objection, that may be done.

The letter referred to is as follows:

DEPARTMENT OF JUSTICE,  
Washington, D. C., January 30, 1917.

HON. MOSES E. CLAPP,  
United States Senate.

MY DEAR SENATOR: In reference to H. R. 14731, providing for an amendment of paragraph 7 of section 9 of the act of June 30, 1913 (38 Stat., 88), I have just been informed by Representative HALVOR STEENERSON, who introduced this bill, and Mr. R. J. Powell, a member of the enrollment commission thereby affected, that Mr. STEENERSON and the promoters of the bill are willing to accept the substitute recommended by the Secretary of the Interior in his letter to Hon. JOHN H. STEPHENS, chairman of the Committee on Indian Affairs of the House, dated July 6, 1916, and printed in a supplemental report, No. 993, part 2, Sixty-fourth Congress, first session.

The concurrence of the Department of Justice in the recommendation of the Secretary of the Interior was stated in his letter. There has been no change in the attitude of the departments in reference to this matter. I understand that it is feasible to incorporate the measure agreed upon in the Indian appropriation bill, now under consideration by the Senate, and we should be very glad if that could be accomplished.

Very respectfully,

F. J. KEARFUL,  
Special Assistant to the Attorney General.

Mr. WARREN. Mr. President, I ask the attention of the chairman of the committee to a small amendment which I desire to offer, on page 75, line 13, after the numerals "\$150,000."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 75, line 13, before the word "reimbursable" at the end of the line, it is proposed to insert:

To enable the Secretary of the Interior to make such additional surveys and examinations as may be required for the purpose of preparing and submitting with the estimates to be submitted before the first regular session of the Sixty-fifth Congress an estimate for the beginning of construction of a project for the watering of a portion of the conditionally ceded lands of the Wind River Reservation in substantial accordance with the plan outlined in House Document 1767 of the Sixty-fourth Congress, second session, or such modification of such plan as the said Secretary may approve, \$5,000.

Mr. ASHURST. This is a part of the reimbursable appropriation carried in the bill at page 75, lines 8 to 16?

Mr. WARREN. Yes. It is to go in just before the word "reimbursable," on line 13, page 75.

Mr. ASHURST. And it is a part of this reimbursable appropriation?

Mr. WARREN. Yes.

Mr. ASHURST. I have no objection, Mr. President.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. FALL. Mr. President, I desire to call the attention of the chairman of the committee to an amendment on page 12 of the bill, line 15, after the figures "\$10,000." This is a lump appropriation for the pay of judges in the Indian country. I made an explanation to the Senate Saturday as to the status of the Pueblo Indians in New Mexico. In the justification of this requested appropriation of \$10,000 it appears that they propose to pay a judge, whom I spoke of Saturday, the sum of \$720 per year. The Pueblo Indians are very much opposed to the naming of any judge for them. In my judgment, there is no question that the law did not contemplate vesting in anyone any such power, and that to-day no one has any such power; but the Indians are not able to take this matter into the United States courts. I therefore offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 12, line 15, after the numerals "\$10,000," it is proposed to insert:

Provided, That no part of this nor of any other sum shall be used to pay any judge for the Pueblo Indians of New Mexico, and that no such judge shall be appointed for such Indians by any United States official or employee.

Mr. ASHURST. Mr. President, I am familiar with the purposes of the amendment, and I have no objection to it.

Mr. SMOOT. Mr. President, if that is the case, then the amount of \$10,000 is not necessary.

Mr. ASHURST. I think it is, Mr. President.

Mr. SMOOT. Outside of the payment of the judge in New Mexico?

Mr. ASHURST. Yes; I think it is, Mr. President. I hope the amount will not be reduced.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, I offer the following amendment: On page 13, line 5, I move to strike out "\$3" and insert in lieu thereof "\$4."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 13, line 5, where the bill reads "and actual traveling and incidental expenses, and \$3 per diem in lieu of subsistence when actually employed on duty," the Senator from Arkansas moves to strike out "\$3," and in lieu thereof to insert "\$4."

Mr. SMOOT. Mr. President, I will say to the Senator that their per diem has been \$3 for many years past, as he knows, of course.

Mr. ROBINSON. Yes.

Mr. SMOOT. And if this is changed, it seems to me it ought to be changed in all the other appropriation bills, because the same reason that applies to an increase here would apply to other bills.

Mr. ROBINSON. Mr. President, concerning this amendment I wish to say that the position of Indian inspector carried in this bill was created two years ago, I think. The service which these inspectors are required to perform carries them into the field, and for the most part keeps them away from home all the time. The per diem allowance is inadequate; \$4 would scarcely be adequate; but my attention has been called to the fact that they are compelled to pay out of their salary a considerable sum for subsistence, for which this allowance is intended to compensate them, and I think the amendment ought to prevail.

Mr. SMOOT. I will say to the Senator that the inspectors of the Indian Service living upon the Indian reservations are not put to nearly the expense to which many of the others are put.

Mr. ROBINSON. But, as the chairman of the committee remarks, they do not live on these reservations.

Mr. SMOOT. No; I know they do not live there, but I mean their work calls them there, and it seems to me that the expense to which the Indian inspectors are put would not be nearly so great as the expense to which the other inspectors are put who travel all over the country and have to live in cities or towns.

Mr. ROBINSON. Some of these inspectors, Mr. President, have had service in many States during the last year. They are frequently called upon to attend court in localities where they

are unable to maintain themselves upon this allowance. The allowance, in my judgment, is inadequate. I have made some investigation into it. I hope the Senator from Utah will not oppose the amendment.

Mr. SMOOT. If the Senator's amendment is agreed to, then, of course, we will have to increase the \$30,000 to \$40,000.

Mr. ROBINSON. No; that will not be necessary.

Mr. SMOOT. Then the \$30,000 is too much as it is.

Mr. ROBINSON. I think the \$30,000 will be adequate. The chairman of the committee thinks so, also.

Mr. ASHURST. Mr. President, the \$30,000 will be adequate, and I am very much in favor of the amendment of the Senator from Arkansas. These inspectors—and there are only six of them—are frequently called upon to assist the United States district attorneys in the preparation of cases, and very frequently they go from State to State. I am very sufficiently convinced that the per diem of \$3 is not sufficient.

Mr. SMOOT. Does the Senator say there are only six inspectors?

Mr. ASHURST. I think there are only six.

Mr. SMOOT. What salary do they get?

Mr. ROBINSON. Twenty-five hundred dollars per annum.

Mr. SMOOT. Oh, no; the chief inspector gets not to exceed \$2,500, but all those inspectors certainly do not get \$2,500.

Mr. ROBINSON. I think the inspectors receive \$2,500 each.

Mr. ASHURST. They each receive \$2,500, and there are only six in the service. They perform technical work. They are the confidential men upon whom the Department of the Interior is obliged to rely in the preparation of many cases.

Mr. SMOOT. Then, Mr. President, it seems to me that they must get \$5,000 each, if it requires \$30,000 to pay six of them.

Mr. ASHURST. That is the salary.

Mr. SMOOT. No; that is the salary, per diem and all. I am speaking of the per diem as well.

Mr. ROBINSON. They are only allowed a per diem when they are actually in the field.

Mr. SMOOT. If they were allowed \$3 a day for 300 days, it would be \$900. Suppose they drew \$1,000 in the way of per diem and they got a salary of \$2,500; that would be \$3,500 for the salary and per diem expenses. Now, there are only six of them. That would be only \$21,000.

Mr. ROBINSON. But the Senator began his argument by stating that the \$30,000 was inadequate.

Mr. SMOOT. No; I do not say that now, upon the statement of the Senator.

Mr. ROBINSON. I understand that the Senator does not say so now; but I think the \$30,000 is more than ample to meet the requirements of the service if the amendment I have offered is agreed to.

Mr. SMOOT. Certainly, on the statement made by the Senator, it ought to be reduced now. Even with the \$4 per day it ought to be reduced.

Mr. ROBINSON. Mr. President, during the last year all of the fund that was appropriated for this purpose was not used and the department turned back a considerable sum. I do not remember how many thousand dollars, but I think between six and ten thousand dollars was turned back last year.

Mr. SMOOT. Of course, if there are just six of these inspectors and they draw \$2,500 a year each, and their per diem is even \$4 a day, it is very easy to figure out just exactly what we ought to appropriate for them; and in any case the amount could not possibly exceed \$25,000. Why appropriate more than \$25,000, then?

Mr. ROBINSON. I am not asking the Senate to appropriate any lump sum. My amendment is not addressed to that feature. The amendment which I propose is addressed to the per diem item.

Mr. SMOOT. I recognize that; but they have got to be paid out of the lump sum.

Mr. ROBINSON. Certainly. The point I make is that the lump sum is adequate; that there is no necessity for increasing it.

Mr. SMOOT. Well, let it go into conference.

Mr. FALL. Mr. President, I should like to ask, just for information, before voting on the amendment, whether it costs any more per diem for these inspectors than it does for the special agents, who get \$3 per diem, including sleeping-car fare, or who get sleeping-car fare aside from the \$3 per diem? And what about the \$3 per diem which is provided for the transportation and incidental expenses of all officers and clerks in the Bureau of Indian Affairs? Should not that be increased also? Is there a different scale of living?

Mr. ROBINSON. Mr. President, in reply to the query of the Senator from New Mexico, I think it is true that a more liberal

allowance should be made for the per diem of these inspectors than for the special agents to whom he refers. The character of work which the inspectors perform carries them into remote districts, and frequently compels them to incur expenses which the special agents do not necessarily incur. They are a different class of officers, and they perform a different class of service. Their services are on a broader scale and extend over a greater territory.

Mr. FALL. I have no doubt the Senator is very familiar with the character of the expenses incurred by each class of employees and could explain the facts very satisfactorily to the Senate. I have not any objection to the amendment, except that it is another illustration of the asininity—if I may be allowed to use the word—of formulating, in the way we do, an Indian appropriation bill at every session of Congress. Some day or some time a different system is going to be inaugurated.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, on page 70 of the bill, after the semicolon in line 22, I move to add "for a storage battery, \$1,500, or so much thereof as may be necessary, the same to be immediately available."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 70, line 22, after the semicolon, it is proposed to insert "for a storage battery, \$1,500, or so much thereof as may be necessary, the same to be immediately available."

Mr. LA FOLLETTE. Mr. President, one year ago an appropriation of \$2,500 was made for providing an electric-light plant for the Indian school at Tomah, Wis. They are buying their electric light from the city of Tomah, and have been paying \$170 a month for it. The rates have gone up, and from the 1st day of January they will be increased 100 per cent. One year ago we made an appropriation of \$2,500 for the purpose of purchasing a generator engine, switchboard, and storage battery. The amount appeared to be sufficient at the time to install a complete lighting system for this school; but the increase in the price of material has been such that the generator engine purchased under the legislation of last year absorbed \$2,042 of the appropriation and the switchboard \$368, leaving a balance of only \$90. It is necessary, in order to complete the plant, to have this storage battery; and from the best information I can get as to what it would cost, obtained from Mr. Woods, the Superintendent of the Capitol here, I fixed the amount of the appropriation at \$1,500, or so much thereof as may be necessary. No more than is necessary will be expended. I trust the amendment will be adopted.

Without this expenditure that which has already been invested will be useless. With it we will make a saving on what they are now paying for the electric light that will in one year, at the rate which they are paying the company that supplies the electric current to this school, save almost as much as the total expenditure.

Mr. ASHURST. Would the Senator from Wisconsin object to inserting the amendment after the semicolon in line 22?

Mr. LA FOLLETTE. That is where I offer it to be inserted.

Mr. ASHURST. And change the numerals accordingly?

Mr. LA FOLLETTE. Yes.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. I offer the following amendment in order to get the question in conference that this bill may await the action that will be taken on section 7 of the legislative, executive, and judicial appropriation bill for increasing the salaries of those officials who draw less than \$1,000. I ask that the amendment be read, and I ask for its adoption.

The VICE PRESIDENT. It will be read.

The SECRETARY. It is proposed to add as a new section the following:

SEC. 27. That to provide, during the fiscal year 1918, for increased compensation at the rate of 15 per cent per annum to employees who receive salaries at a rate per annum of \$480 or less, and for increased compensation at the rate of 10 per cent per annum to employees who receive salaries at a rate of more than \$480 per annum and not exceeding \$1,000 per annum, so much as may be necessary is appropriated: *Provided*, That this section shall only apply to employees who are appropriated for in the act specifically and under lump sums or whose employment is authorized herein: *Provided further*, That detailed reports shall be submitted to Congress on the first day of the next session showing the number of persons, the grades or character of positions, the original rates of compensation, and the increased rates of compensation provided for herein.

Mr. ASHURST. I would not wish to make a point of order if I could upon this amendment because, as the Senator from Kansas said, he would like to have it go to conference. He is entitled to that right and courtesy, but I should like to have read a short letter from the Secretary of the Interior upon a bill very similar to this amendment now proposed by the Senator.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary read as follows:

THE SECRETARY OF THE INTERIOR,  
Washington, January 28, 1917.

Hon. HENRY F. ASHURST,  
Chairman Committee on Indian Affairs,  
United States Senate.

MY DEAR SENATOR: I have your letter of January 6, requesting report upon proposed amendment to H. R. 18453, under which the compensation of employees in the Indian Service would be increased.

This question, of course, is one for Congress to determine; but it seems that if such an increase is to be granted it should be uniform and not differentiate between employees of the Government in different branches of the service.

Cordially, yours,

FRANKLIN K. LANE,  
Secretary.

Mr. SMOOT. The amendment is exactly the same as was adopted upon the legislative, executive, and judicial appropriation bill.

Mr. CURTIS. Identically.

Mr. ASHURST. I did not hear the Senator from Utah.

Mr. SMOOT. I asked the Senator from Kansas if his amendment is not identically the same in language as that which was adopted upon the legislative, executive, and judicial appropriation bill, and the Senator from Kansas said it is.

Mr. SHAFROTH. I will ask the Senator from Kansas whether the latter part of the amendment is the same?

Mr. CURTIS. It is the same, word for word.

Mr. ASHURST. It is the same as the provision which was carried in the legislative, executive, and judicial appropriation bill?

Mr. SMOOT. It is the same identical amendment known as the Smoot amendment. If we are going to give it to one part of the Government employees, we ought to put it upon every appropriation bill, and I think the Senator will agree to that.

The amendment was agreed to.

Mr. ASHURST. Mr. President, considerable has been said in the way of implied but not malicious criticism with respect to the management of the office of the Commissioner of Indian Affairs. I have here an article which appears on page 270 of the Indian School Journal issued by the United States Indian School at Chilocco, Okla., printed by the pupils. I ask unanimous consent that it may be printed in the RECORD without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FALL. For what department?

Mr. ASHURST. The Indian Department.

Mr. FALL. The entire Indian Department?

Mr. ASHURST. Let it be read. It is very short.

Mr. FALL. I should like to hear it.

The VICE PRESIDENT. Is there objection to reading the article? The Chair hears none.

The Secretary proceeded to read the article.

Mr. FALL. If I can I withdraw my request for the reading of this very interesting article, and withdraw any objection whatsoever to its printing. I think we all recognize the earmarks.

The VICE PRESIDENT. The article will go in the RECORD without reading in full.

The matter referred to is as follows:

It is a report of stupendous achievement that Commissioner Cato Sells has just submitted to the Secretary of the Interior. When one reads in the pamphlet the account of all that has been done he marvels that one man has had time and strength to carry out so successfully so many projects calling for much study and the exercise of great ability along so many distinct lines.

To have developed and carried out the "reimbursable" plan for helping poor but honest and industrious Indians to independence, to have waged a winning fight against the liquor traffic in and about reservations, to have made dishonest guardians of Indian minors account for millions that they had confidently expected to make their own, to have waged so successful a health campaign, to have provided for the inauguration in the schools of the sane vocational course of instruction now in operation—each appearing a good-sized undertaking—along with the numerous other accomplishments scarcely, if at all, less important, and to have set all in harmonious motion was a gigantic task. The battle is still on against the crooked guardian, the grafter, and the booze peddler, against tuberculosis and trachoma, against all the physical dangers that beset the baby coming into the world; while cattle on a thousand hills belonging to the Indians, thousands of additional acres in cultivation, great numbers of Indians living in complete independence who but yesterday were leaning upon the Government, all bear witness to the constructive power of the tireless, enthusiastic man at the head of the Indian Bureau.

No one is more desirous than the commissioner that the Indian Bureau go out of business at the earliest day that such closing can be accomplished with safety to the people from whom all Government proprs are being removed as rapidly as seems wise. He does not covet the emoluments of a job the holding of which costs him thousands of dollars annually from private resources; but the cry of the grafter and the assistant grafter for immediate removal of every impediment to the plying of their business does not convince or disturb him nor does it interfere with the vigorous performance of every duty.

Mr. CLAPP. Mr. President, there is a matter I desire to say a word about. In 1863, I think it was, following the Sioux massacre in Minnesota, Congress passed a law forfeiting the annuities due the Sioux Indians. There were two general groups of these Indians, the Sissetons and Wahpetons, and then the other group known as the Santee Sioux. Before my predecessor died he had taken up the effort to do justice to these Indians. Clearly the Government of the United States has no moral rights to forfeit the annuities due its wards because the wards revolt. He died before the work was completed. Some years ago we passed a law giving the Sissetons the right to bring an action. The bill has been introduced and has been passed several times by the Senate, giving the same right to the Santee Sioux. It was passed through the Senate at this Congress and is now in the House, but everyone knows the difficulty of getting legislation through the House.

I am going to ask to put that bill at the end of the Nebraska items as an amendment. I put it there because, although originally these Indians were entirely, I think, from the State of Minnesota, to-day a large portion of them, I think perhaps a major portion, live in the State of Nebraska, but a great many still remain in the State of Minnesota. The bill, as I said, has already passed the Senate at the present Congress. A similar bill has passed Congress several times. I think it was on the Indian appropriation bill that failed two years ago, if my memory serves me correctly.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add the following as an additional section:

SEC. 28. That jurisdiction be, and hereby is, conferred upon the Court of Claims of the United States to hear, determine, and render final judgment for any balance found due the Medawakanton and Wahpakoita Bands of Sioux Indians, otherwise known as Santee Sioux Indians, with right of appeal as in other cases, for any annuities which may be due to said bands of Indians under and by virtue of the treaties between said bands of Indians and the United States, dated September 29, 1837 (7 Stat. L., 538), and August 5, 1851 (10 Stat. L., 954), as if the act of forfeiture of the annuities of said bands, approved February 16, 1863, had not been passed; and said act of forfeiture and all subsequent acts and parts of acts and treaties inconsistent with this act are hereby repealed for the purposes hereof: *Provided*, That the court, in rendering judgment, shall ascertain and include therein the amount of accrued annuities under the treaty of September 29, 1837, up to the date of the passage of this act and shall determine and include the present value of the same and the capital sum of said annuity, which shall be in lieu of said perpetual annuity granted in said treaty; and to ascertain and set off against such amount so found all payments or other provisions, of every name and nature, made to or for said bands by the United States, or to or for any members thereof under the authority of any act of Congress, excluding treaties, since said act of forfeiture was passed, which are properly chargeable against said unpaid annuities.

That upon the rendition of such judgment, and in conformity therewith, the Secretary of the Interior is hereby directed to determine which of said Indians now living took part in said outbreak, and to prepare a roll of the persons entitled to share in said judgment by placing on said roll the names of all living members of the said bands residing in the United States at the time of the passage of this act, excluding therefrom the names of those found to have participated in the outbreak; and he is directed to distribute the proceeds of such judgment, except as hereinafter provided, per capita, to the persons borne on the said roll.

That proceedings shall be commenced by petition, verified by the attorney or firm of attorneys so authorized by John Eastman, assignee of Charles A. Eastman or Charles Hill, the attorneys in fact employed by said Indians under a contract bearing date November 27, 1896, approved by the Commissioner of Indian Affairs June 29, 1897, and by the Secretary of the Interior July 1, 1897, and said suit shall be conducted by said attorney or firm of attorneys as attorneys of record, together with other counsel appearing in the case; and the court shall find and award upon a quantum meruit not to exceed 10 per cent of the amount recovered to said attorneys and their associates the compensation which shall be paid to them for services rendered and to be rendered, and distribute the sum thus awarded to such attorneys and their associates as their respective interests may appear, under agreements among themselves, which may be filed with the court; and the Secretary of the Treasury is hereby directed to pay the said sum of money to the said attorneys immediately upon rendition of final judgment, out of the proceeds of such judgment, if any, when an appropriation therefor shall be made by Congress.

That the Secretary of the Interior is hereby authorized and directed to apply, out of any funds to the credit of said Indians, the sum of \$2,500, or so much thereof as may be necessary, to be expended under the direction of the attorneys of said Indians in said case in the taking of testimony therein and defraying the expenses of printing incidental thereto.

The amendment was agreed to.

Mr. SMOOT. The Senator from Georgia [Mr. SMITH] in the discussion yesterday gave notice he intended after the committee amendments were passed upon to move to strike out the

paragraph beginning on page 52, line 21, down to and including line 5 on page 53.

Mr. ASHURST. I hope that action will not be taken. If the Senator will pardon me, this particular item has been carried in the bill now for three years. The Senator from Georgia has been a Member of the Senate during the time it has been enacted. Now, when the two Senators from Oklahoma most unfortunately are absent, both by reason of illness, I trust that such action will not be taken. It is an important item, and in my opinion it is a just and necessary item. Neither of the Senators from Oklahoma can be here for the reason I have stated. One is seriously ill at his home in this city and the other is ill in Oklahoma, and will not be here before the bill is passed. The item was carried in the bill in 1914 and 1916, and it was in the bill in 1915. No objection that I have ever heard to the item has been made in the Senate. This seems to be a most inopportune time to take up a serious item like this in the absence of both Senators from the State. I recognize the courtesy the Senator from Utah is extending to the Senator from Georgia in calling attention to it, but I am very anxious that this item shall be retained in the bill.

Mr. CLAPP. Will the Senator from Utah pardon me?

Mr. SMOOT. Certainly.

Mr. CLAPP. I hardly think it would be fair to Oklahoma for this reason: Whatever may be said as to the wisdom or justice of the measure, and I think it is a very wise and just measure, in view of the large amount of their land that is held beyond the power of taxation, I believe we should make provision to assist them in their public schools. This has been in the bill right along as it came from the House, and I am inclined to think that possibly it might embarrass the State, without any notice whatever, when they have every reason or right to suppose it would be continued at least for a time, now suddenly to withdraw it. I think if the Senate feels it has been unwise to give this assistance or unwise to continue it, surely it is at least due to the State of Oklahoma that they have notice so that they may make necessary provision hereafter to take care of it, but suddenly to cut out that amount from what may properly be called the revenues of the State might very seriously embarrass them. It strikes me that without any notice it is hardly a fair thing to do, even if we had the power to do it.

Mr. SMOOT. Mr. President, I am not going to make a motion to strike it out. I simply did what I would want every other Senator to do if I were out of the Chamber when a bill was about to pass from the Committee of the Whole into the Senate, to call attention to the fact of a notice that had been given.

Mr. GRONNA. Will the Senator from Utah yield to me?

Mr. SMOOT. Yes.

Mr. GRONNA. I wish to say to the Senator from Utah that I have inquired into this matter and I am sure if we struck out the provision it would embarrass those people. It was stated by some Senator that the lands given to the Oklahoma Indians are taxable. I am informed that they are not. It would cripple the schools. We can not at this time let this item go out. As the chairman has said, it would hardly be fair to the Senators from Oklahoma to take out this item when they are both absent.

Mr. SMOOT. Of course, as I said, I do not know whether the Senator from North Dakota was in the Chamber. I am not going to make a motion, because I do not know enough about it to know whether it is right or whether it is wrong; but the Senator from Georgia [Mr. SMITH] gave notice yesterday that as soon as the committee amendments were disposed of he wished to make a motion to strike out this paragraph. I thought it was nothing more than fair to the Senator from Georgia to give him notice that the bill was about to pass from Committee of the Whole into the Senate.

Mr. O'GORMAN. Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. ASHURST. Will the Senator from New York withhold the motion?

Mr. O'GORMAN. The executive session will take only a few minutes.

Mr. ASHURST. I think we can pass the bill before the recess, and I do not want an executive session now. I shall call for the yeas and nays and do everything I can to resist the motion. I hope the Senator from New York will withdraw his motion. I think we can conclude the consideration of the bill in a few minutes.

Mr. O'GORMAN. This is a very important bill, but it is not the only important business which is before the Senate of the United States. Under the program we have but 15 minutes be-

fore a recess will be taken, in any event, and there is some important executive business which can be disposed of in that time.

Mr. ASHURST. If the Senator will pardon me, I will assure him he will not do a bit of executive business. I shall consume the whole time.

Mr. O'GORMAN. I could not yield to any suggestion of that kind from any Senator, especially from one whose good opinion I value as highly as I do that of the Senator from Arizona. Upon reflection he must know that that is scarcely a fair proposition to advance.

Mr. ASHURST. I have had no notice of the motion. It was made without consulting me.

Mr. O'GORMAN. The bill which the Senator has in charge I appreciate is a very important measure, and it will be disposed of in due course, but we are to convene again at 8 o'clock.

Mr. ASHURST. If the Senator will pardon me, we could not in my judgment take up the Indian appropriation bill in the evening session. That is to be devoted wholly to the Porto Rican bill. I withdraw the apparent discourteous statement I made; but I am very earnest about this matter. I want to have this bill disposed of. It will go over until to-morrow if we go into executive session now. I hope the Senator from New York will withdraw the motion.

Mr. O'GORMAN. Will any injury be done to any interest even if the bill goes over until to-morrow?

Mr. ASHURST. I am anxious always to have Democrats get into office just as quickly as they can, but I think the few nominations can wait one more day, having waited so long.

Mr. O'GORMAN. It will not interfere with the Senator's bill. I make that motion.

The VICE PRESIDENT. The Senator from New York moves that the Senate proceed to the consideration of executive business.

Mr. ASHURST. I call for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CLAPP (when his name was called). Owing to the pair I have with the senior Senator from North Carolina [Mr. SIMMONS], who is absent, I am constrained to withhold my vote.

Mr. CLARK (when his name was called). I am paired with the senior Senator from Missouri [Mr. STONE], who is absent. I therefore withhold my vote.

Mr. JAMES (when his name was called). I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS] and for that reason withhold my vote.

Mr. MYERS (when his name was called). I transfer my pair with the Senator from Connecticut [Mr. MCLEAN] to the Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. SMITH of Maryland (when his name was called). I have a general pair with the Senator from Vermont [Mr. DILLINGHAM]. He being absent, I withhold my vote.

Mr. THOMAS (when his name was called). In the absence of my pair, I withhold my vote.

Mr. TILLMAN (when his name was called). I transfer my pair as on the last vote and vote "yea."

Mr. WILLIAMS (when his name was called). Transferring my pair with the Senator from Pennsylvania [Mr. PENROSE] to the Senator from Maryland [Mr. LEE], I vote "yea."

The roll call was concluded.

Mr. JAMES. I transfer the general pair I have with the junior Senator from Massachusetts [Mr. WEEKS] to the junior Senator from Arkansas [Mr. KIRBY] and vote "yea."

Mr. SAULSBURY. I have a general pair with the junior Senator from Rhode Island [Mr. COLT] and therefore withhold my vote.

Mr. CURTIS (after having voted in the negative). I transfer my pair with the junior Senator from Georgia [Mr. HARRWICK] to the senior Senator from California [Mr. WORKS] and will let my vote stand.

Mr. SMITH of Michigan (after having voted in the negative). I am paired with the junior Senator from Missouri [Mr. REED]. I transfer that pair to the junior Senator from Maine [Mr. FERNALD] and will let my vote stand.

Mr. THOMAS. I transfer my pair to the junior Senator from California [Mr. PHELAN] and vote "yea."

Mr. GRONNA (after having voted in the negative). I have a general pair with the senior Senator from Maine [Mr. JOHNSON], which I transfer to the senior Senator from Idaho [Mr. BORAH] and will let my vote stand.

Mr. CLAPP. I transfer my pair to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

Mr. SMOOT. I desire to announce the unavoidable absence of my colleague [Mr. SUTHERLAND]. If he were present, he would vote "nay."

The result was announced—yeas 16, nays 36, as follows:

YEAS—16.			
Broussard	James	O'Gorman	Thompson
Bryan	Lewis	Overman	Tillman
Chilton	Martin, Va.	Pittman	Underwood
Fletcher	Martine, N. J.	Thomas	Williams
NAYS—36.			
Ashurst	Hollis	Oliver	Smith, Mich.
Brady	Johnson, S. Dak.	Page	Smith, S. C.
Brandegee	Kenyon	Poindexter	Smoot
Chamberlain	La Follette	Pomerene	Sterling
Clapp	Lane	Ransdell	Vardaman
Curtis	Lippitt	Robinson	Wadsworth
Fall	Lodge	Shafroth	Walsh
Gronna	Myers	Sheppard	Warren
Harding	Norris	Smith, Ga.	Watson
NOT VOTING—44.			
Bankhead	Gallinger	Lea, Tenn.	Sherman
Beckham	Goff	Lee, Md.	Shields
Borah	Gore	McCumber	Simmons
Catron	Hardwick	McLean	Smith, Ariz.
Clark	Hitchcock	Nelson	Smith, Md.
Colt	Hughes	Newlands	Stone
Culberson	Husting	Owen	Sutherland
Cummins	Johnson, Me.	Penrose	Swanson
Dillingham	Jones	Phelan	Townsend
du Pont	Kern	Reed	Weeks
Fernald	Kirby	Saulsbury	Works

So the Senate refused to proceed to the consideration of executive business.

The VICE PRESIDENT. The Indian appropriation bill is still before the Senate, as in Committee of the Whole, and open to amendment.

The bill was reported to the Senate as amended, and the amendments were concurred in.

Mr. LANE. Mr. President, I had proposed to offer a substitute for the bill, but I do not find that amount of interest in matters pertaining to Poor Lo that I think he deserves, and so I will not offer it at this time. I will, however, vote against the passage of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

The bill was passed.

EXECUTIVE SESSION.

Mr. O'GORMAN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened, and (at 5 o'clock and 30 minutes p. m.), under the order previously made, the Senate took a recess until 8 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

GOVERNMENT OF PORTO RICO.

The PRESIDING OFFICER (Mr. JAMES in the chair). The special order is the Porto Rican bill.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9533) to provide a civil government for Porto Rico, and for other purposes.

Mr. SHAFROTH. I ask unanimous consent that the further formal reading of the bill be dispensed with and that the bill be read for amendment.

The PRESIDING OFFICER. Is there objection?

Mr. SMOOT. I will ask the Senator if that was not agreed to at the time the Senator had the bill brought up?

Mr. SHAFROTH. No; there was objection to it; the bill was read about halfway through and then the morning hour expired. I desire to have it read for action on the committee amendments and amendments following.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The first amendment of the committee will be stated.

The first amendment of the Committee on Pacific Islands and Porto Rico was, on page 1, after line 6, to insert the subhead "Bill of rights."

The amendment was agreed to.

The next amendment was, in section 2, page 3, line 16, after the word "State," to insert "or any officer thereof," so as to make the clause read:

That no law granting a title of nobility shall be enacted, and no person holding any office of profit or trust under the government of Porto Rico shall, without the consent of the Congress of the United States, accept any present, emolument, office, or title of any kind whatever from any king, queen, prince, or foreign State, or any officer thereof.

The amendment was agreed to.

The next amendment was, on page 3, line 21, after the word "warrant," to insert "for arrest or search," so as to make the clause read:

That no warrant for arrest or search shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized.

Mr. SMOOT. I will ask the Secretary to read the amendment again.

The Secretary again read the amendment.

Mr. SHAFROTH. I will state to the Senator that that is really a transposition. The same provision is found on page 5. It did not belong there and we transposed the paragraph to the point where it should be. I think it is exactly the same.

Mr. SMOOT. I find no amendment on page 5 of the bill.

Mr. SHAFROTH. When that is reached I will ask that it be stricken out. The Senator will notice in line 12, page 5, the same language is used—"that no warrant shall issue but upon probable cause."

Mr. SMOOT. It is the Senator's intention to move to strike out those words?

Mr. SHAFROTH. Yes; transposing the language from that place.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 4, line 20, after the word "institution," to insert "or association," and in line 22, after the word "such," to insert "and no appropriation shall be made for charitable, industrial, educational, or benevolent purposes to any person, corporation, or community not under the absolute control of Porto Rico," so as to make the clause read:

That no public money or property shall ever be appropriated, applied, donated, used, directly or indirectly, for the use, benefit, or support of any sect, church, denomination, sectarian institution or association, or system of religion, or for the use, benefit, or support of any priest, preacher, minister, or other religious teacher or dignitary as such, and no appropriation shall be made for charitable, industrial, educational, or benevolent purposes to any person, corporation, or community not under the absolute control of Porto Rico. Contracting of polygamous or plural marriages hereafter is prohibited.

Mr. SHAFROTH. The committee would like to strike out the words "and no appropriation shall be made," because the same subject matter relates to it. It is simply surplus language. Insert the word "or."

The SECRETARY. Beginning the amendment with the word "or."

The PRESIDING OFFICER. Without objection, the amendment will be so modified. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The next amendment was, on page 5, line 5, after the word "law," to insert "and on warrant drawn by the proper officer in pursuance thereof," so as to make the clause read:

That no money shall be paid out of the Treasury except in pursuance of an appropriation by law, and on warrant drawn by the proper officer in pursuance thereof.

The amendment was agreed to.

The next amendment was, on page 5, after line 6, to insert:

That the rule of taxation in Porto Rico shall be uniform.

The amendment was agreed to.

The next amendment was, on page 5, after line 7, to insert:

That all money collected for any tax levied or assessed for a special purpose shall be treated as a special fund in the Treasury and paid out for such purpose only, except upon the approval of the President of the United States.

The amendment was agreed to.

The reading of the bill was continued to line 15, page 5.

Mr. SHAFROTH. In behalf of the committee I move that lines 12, 13, 14, and 15 be stricken out because it is the same language that was inserted on page 3.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 5 in the House text strike out lines 12 to 15, inclusive, in the following words:

That no warrant shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized.

The amendment was agreed to.

Mr. SMOOT. I ask the Secretary to read the text of the bill now, because by simply stating the amendment it is impossible to follow the text to which the amendments apply. The formal reading of the bill was dispensed with, so I ask the Secretary to read the whole of it.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary resumed the reading of the bill on page 5, line 16.

The next amendment was, in section 3, on page 6, line 8, before the word "municipality," to insert "subdivision or," so as to make the section read:

SEC. 3. That no export duties shall be levied or collected on exports from Porto Rico, but taxes and assessments on property, internal revenue, and license fees, and royalties for franchises, privileges, and concessions may be imposed for the purposes of the insular and municipal governments, respectively, as may be provided and defined by the Legislature of Porto Rico; and when necessary to anticipate taxes and revenues, bonds and other obligations may be issued by Porto Rico or any municipal government therein as may be provided by law, and to protect the public credit: *Provided, however,* That no public indebtedness of Porto Rico or of any subdivision or municipality thereof shall be authorized or allowed in excess of 7 per cent of the aggregate tax valuation of its property, and all bonds issued by the government of Porto Rico, or by its authority, shall be exempt from taxation by the Government of the United States, or by the government of Porto Rico or of any political or municipal subdivision thereof, or by any State, or by any county, municipality, or other municipal subdivision of any State or Territory of the United States, or by the District of Columbia. In computing the indebtedness of the people of Porto Rico, bonds issued by the people of Porto Rico secured by an equivalent amount of bonds of municipal corporations or school boards of Porto Rico shall not be counted.

Mr. SMOOT. I should like to ask the Senator having the bill in charge if it was the intention of those favoring the bill that 7 per cent shall be the aggregate amount of the indebtedness of the State or of the subdivision or of the municipality?

Mr. SHAFROTH. I will state to the Senator that that is the same provision which came from the House. It is the intention to limit the total amount of bonded indebtedness of the island to 7 per cent of the aggregate tax valuation of its property.

Mr. SMOOT. Does that mean 7 per cent of the indebtedness as far as the State is concerned or as far as the State and the subdivision or the municipality are concerned?

Mr. SHAFROTH. It says "public indebtedness of Porto Rico."

Mr. SMOOT. "Or."

Mr. SHAFROTH (reading)—

Or of any subdivision or municipality thereof shall be authorized or allowed in excess of 7 per cent of the aggregate tax valuation of its property.

My understanding of that is that the municipality can have a bonded indebtedness of not exceeding 7 per cent of its valuation, and the Territory or the island can have a bonded indebtedness not exceeding 7 per cent of the tax valuation.

Mr. SMOOT. Or a subdivision?

Mr. SHAFROTH. I do not know.

Mr. SMOOT. Then the word "subdivision" should not be in the bill.

Mr. SHAFROTH. It may be that they have some subdivisions, but I do not believe that they have for municipal purposes.

Mr. SMOOT. What I was trying to learn was whether any subdivision of Porto Rico will be allowed to incur an indebtedness of 7 per cent of the value of the property of Porto Rico.

Mr. SHAFROTH. Evidently no subdivision would be allowed to incur an indebtedness in excess of 7 per cent of the tax valuation in that subdivision.

Mr. SMOOT. I hope that that construction will be placed upon it, but really it looks to me like the aggregate amount of indebtedness on the value of all property in Porto Rico, subdivision or municipality, shall never exceed 7 per cent.

Mr. SHAFROTH. You mean the total of it all?

Mr. SMOOT. Of it all.

Mr. SHAFROTH. They have no way, it seems to me, of determining that amount. I think that provision is in the constitutions of most of the States.

Mr. SMOOT. In most of the States, of course, it only applies to 5 per cent of the valuation of the property.

Mr. SHAFROTH. That is true; but, for instance, in the city of Denver there is that same limitation; the State of Colorado has the same; and so in all the other counties. The city of Denver, being in Denver County, it would be the same. It might make a variation there.

Mr. SMOOT. The Senator knows, of course, that some cities allow 7½ per cent; some allow 5 per cent; and some allow as low as 3 per cent.

Mr. SHAFROTH. That is right.

Mr. SMOOT. The authority for that, however, is always given by law. In other words, we are not passing a law for the State. This law says "the aggregate tax valuation of its property." Does the Senator mean by it the Porto Rican property, or does he mean the Porto Rican property or the subdivision property or the municipality property?

Mr. SHAFROTH. When it is applied to Porto Rico, its property; when applied to a municipality, then its property. The word "subdivision" was inserted there as a Senate committee amendment. It was not put in in the House. If the Senator

desires to have it stricken out I am perfectly willing that that shall be done.

Mr. SMOOT. I do not care to have it stricken out if there is any good reason why it should remain.

Mr. SHAFROTH. It was thought that there are some political subdivisions there that are not in municipalities.

Mr. SMOOT. We certainly do not want to allow a political subdivision the right to incur an indebtedness up to 7 per cent on the taxable valuation of property.

Mr. FALL. The county is a political subdivision, is it not?

Mr. SMOOT. A subdivision.

Mr. FALL. They have not any counties in Porto Rico, but under the old Spanish style in all Spanish countries it is the municipality. Municipality does not mean there what it means here. But the word "subdivision" is a definite word.

Mr. WARREN. Is not a school district?

Mr. FALL. They are political subdivisions. Under this wording they would be allowed 7 per cent. The county, or what corresponds to a county, would be allowed 7 per cent and the municipality would be allowed 7 per cent, and Porto Rico itself would be allowed 7 per cent. That would be my construction.

Mr. SMOOT. I ask the Senator if there are any subdivisions.

Mr. FALL. Under the old Spanish law the municipalities did not comprise the limit of a city or town, but comprised a county 20 miles square. Sometimes they comprised 24 miles square, and it was known as a municipality.

Mr. SMOOT. I simply wish to know why this language was inserted, the House having passed the bill without it.

Mr. FALL. My judgment is that it is simply a conflict in understanding—the political subdivisions in Porto Rico—as to what political subdivisions in Porto Rico are.

Mr. WARREN. I should like to ask the Senator in charge of the bill a question. I understand he thinks it would allow 7 per cent indebtedness for Porto Rico, and they would yet have the liberty of 7 per cent in each municipality.

Mr. SHAFROTH. I think that would be correct.

Mr. WARREN. Does not the Senator think that is entirely too high a figure?

Mr. SHAFROTH. There are various checks on it besides that.

Mr. WARREN. The Territories—I recall the Territory of Wyoming and some others—by act of Congress were limited to 2 per cent, covering all kinds of indebtedness, and when they came in as States and adopted a constitution they kept within the limit, as I remember, of about 2 per cent, and then provided in cities and school districts different or specific percentages, according to what they did. For instance, a city could allow for sewerage and waterworks beyond the smaller limit that would apply as to ordinary expenses. It seems to me the Senator's understanding is right, and if we are going to have the law provide 7 per cent in Porto Rico and 7 per cent for the various school districts and the counties and subdivisions, whatever it may be, it is in the power of those communities to run away with the credit of their localities and of the country.

Mr. SHAFROTH. They are interested in keeping the matter down. There is no doubt about that.

Mr. WARREN. So is Cuba, and so have other countries been.

Mr. SHAFROTH. We have here exactly the same that was allowed in the Philippines bill.

Mr. WARREN. If we are going to have any limit at all, it ought to be one that would be restrictive in fact.

Mr. SMOOT. Let me ask the Senator from Colorado if he understands this to be the case. Under this provision there could be an indebtedness of 7 per cent on the aggregate tax valuation of the property of Porto Rico, and there could be the same amount on the municipality. That would be on that property 14 per cent. Then, if there is a subdivision in the municipality, there would be another 7 per cent, and that would be upon the property in the subdivision 21 per cent.

Mr. SHAFROTH. If the Senator wants to cut out the subdivision, I am perfectly willing. I do not think it applies in many instances there. It may have been intended to apply to a sewer district or something of that kind.

Mr. SMOOT. Then we ought to say so, because in all the provisions authorizing the States to use their credit or borrow money it is always specifically stated, as the Senator from Wyoming [Mr. WARREN] said, that the percentage shall be so much upon the taxable valuation of the property, and then they can borrow so much for internal improvements. This, it seems to me, is very loose. An authorization of 21 per cent of the taxable property in Porto Rico is pretty heavy.

Mr. VARDAMAN. Mr. President, if the Senator in charge of the bill will permit me, I suggest that this section go over.

I think it might be clarified, and there is some little doubt about it. If we do not get through the bill to-night, there will be time to rectify it.

Mr. SHAFROTH. That will be satisfactory.

Mr. HARDING. I wish to ask the Senator from Colorado a question in relation to this section. Is it the intention of the sponsors of the bill to exempt all the subdivision and municipal bonds from Federal and State taxation?

Mr. SHAFROTH. I think that is the provision of the law.

Mr. HARDING. That is a provision that is not granted to any State in the Union.

Mr. SHAFROTH. It may be, but it is the same provision that we have extended to the Philippine Islands.

Mr. VARDAMAN. If the Senator from Ohio will yield to me for a moment, in the consideration of this bill it was thought that this special exemption should be given in order to make this security as attractive as possible. Those people there are undeveloped, and it is for the purpose of enabling them to develop their country to make the securities attractive by extending that exemption. It was thought by the committee that it would probably be better for those people.

Mr. HARDING. I have no insistent objection. I wondered if the reading of the section was clear; that is all.

The PRESIDING OFFICER. Without objection, the section will go over until to-morrow.

Mr. SMOOT. I should like to ask the Senator if it would not be very much better to have the native of Porto Rico make a declaration that he desires to become a citizen of the United States; that is, to provide just the reverse of the proposition in the bill? Then a person who had not sufficient interest to become a citizen, or who is indifferent as to whether or not he is a citizen, will not be covered into citizenship, unless he at least shows enough interest to make an application for citizenship.

Mr. SHAFROTH. I will state to the Senator from Utah that that matter has been the subject of a good deal of controversy in Porto Rico. When the island came into the possession of the United States the Porto Ricans all wanted to become citizens, and there was no protest. The Unionist Party, which is the strong party there, declared in favor of it. Afterwards, on account of certain differences, the Unionist Party declared for independence, and then they became violently opposed to coming into citizenship. Then there was a proposition which was presented here in Congress in favor of collective citizenship; that is, that all Porto Ricans should come into citizenship of the United States unless they file a declaration that they do not so desire.

Mr. FALL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. SHAFROTH. I yield.

Mr. FALL. Has it not been the universal custom of the United States in the acquisition of any territory to embody exactly this provision in the treaty of acquisition? It was so in the case of Louisiana in 1803, of Florida in 1819, of New Mexico and California and Arizona and Texas in 1846. In the treaties and in the organic acts with reference to the acquisition of any of that territory there has been just this provision.

Mr. SHAFROTH. I think that is true.

Mr. FALL. All residents there were regarded as citizens of the United States, unless within a limited period of time they declared their intention to remain citizens of some other country.

Mr. SMOOT. There is, of course, this difference: In all the cases which the Senator from New Mexico has mentioned the territory was a part of this continent, adjoining the United States, and it became a part of the United States through purchase or otherwise. Does the Senator from New Mexico remember how it was as to any territory outside the continental limits of the United States?

Mr. FALL. There was the acquisition of Hawaii.

Mr. SMOOT. How was it as to Hawaii?

Mr. FALL. The residents of Hawaii all came in as citizens of the United States. Even the Japanese who were born in Hawaii are citizens of the United States. They are now increasing there much more rapidly than any other race we have there.

Mr. SMOOT. They constitute more than half of all the people of the island.

Mr. FALL. They will soon have control there. We shall soon have Japanese Delegates in the Congress of the United States.

Mr. SMOOT. I do not think there is any doubt about that.

Mr. SHAFROTH. Mr. President, I think the Senator from Utah will find that this provision is practically the provision which we have made in every similar instance. As I recollect,

the only reason it was not done in the first instance was because of the fact that we had the Philippine proposition at the same time. They did not know exactly what they wanted to do.

Mr. SMOOT. I thought it very strange that we should undertake to compel a person in Porto Rico, or in any territory over which we took control, to declare his intention not to become a citizen of the United States. I thought it would be very much better to have every one of them declare his intention to become a citizen of the United States. Then we should know that everyone who did so declare would at least have interest enough in the matter to become a citizen.

Mr. FALL. The theory upon which this Government has ever acquired any further territory has always been that it proposed to erect sovereign States of the Union in that territory as soon as they were fitted for statehood. That has been the universal custom from time immemorial until the acquisition of the Philippine Islands after the war with Spain. It has been the universal custom to incorporate all the inhabitants in the acquired territory immediately as citizens of the United States, except where by treaty provision the mother country ceding that country to the United States required us to allow its citizens the privilege of remaining citizens of the country from which the territory was acquired, in the event they so desired.

For that reason, as I say, in the treaty by which we acquired Louisiana in 1803, Florida in 1819, and the Mexican territory in 1846, the mother country in each instance agreed by treaty that those who did not desire to become citizens of the United States should have the privilege of remaining citizens of France or of Spain or of Mexico, as the case might be. Those who did not within one year—which has been the period heretofore limited—file a declaration of intention to remain citizens of the foreign country became incorporated immediately as citizens of the United States. Of course it was all upon the theory that eventually those Territories were to be erected into States.

Mr. VARDAMAN. Mr. President, in the hearings before the committee when it had under consideration this bill I was very much impressed by some of the Porto Ricans who came before the committee and gave testimony. I do not think there was one of them who did not deep down in his patriotic heart cherish the hope that some day his country might be an independent sovereign political entity; and down deep in my heart I sympathized with him. I do not think any man, however good he may be, is good enough to govern another man without that man's consent. I know the United States are not good enough to govern Porto Rico without Porto Rico's consent.

So far as I am personally concerned, I really think it is a misfortune for the United States to take that class of people into the body politic. They will never, no, not in a thousand years, understand the genius of our government or share our ideals of government; but the United States has taken this island; the investments that have been made there by American white men will induce the Government to continue to hold it; and if the island is going to become a part of this Republic, I do not see any other way to treat the inhabitants thereof. It is very much more convenient to do it in this way, by one drag-net act, than it would to require them to come individually and to make their requests to be made a part of the Government or to be made citizens of the United States.

We considered that matter carefully, and while I have no desire in the world to coerce them, I really had rather they would not become citizens of the United States. I think we have enough of that element in the body politic already to menace the Nation with mongrelization; but if the Porto Ricans are going to be held against their will, as we are holding them now, then we ought to legislate for their interests. We should make the coercion as palatable as possible.

Mr. FALL. It is our duty to give them some citizenship, is it not?

Mr. VARDAMAN. I agree with the Senator that we ought to do that if we are going to hold them. We have taken them against their will; we are holding them now against their will. If it were submitted to a vote, there would not be 1 per cent who would vote in favor of becoming a part of these United States.

Mr. FALL. We have deprived them, however, of the protection of Spain. They can no longer appeal to their mother country as Spanish citizens; they can not appeal to the United States today as American citizens; they can not appeal, of course, to Porto Rico, because Porto Rico can not enforce their rights anywhere in the world they may go. We have placed these people in the most anomalous position that the people of almost any country were ever placed in; they are citizens of no country.

Mr. VARDAMAN. Absolutely; and I do not think that the natives there are getting what they are entitled to.

Mr. SMOOT. Mr. President, did the testimony before the committee show such a condition existing as that just pictured by the Senator from Mississippi, that not 1 per cent of the Porto Rican people would vote in favor of becoming citizens of the United States?

Mr. VARDAMAN. That was not stated in the testimony. There were some eloquent statements made before the committee. One young man appeared before the committee, with whom I was greatly impressed, who pleaded for the independence of Porto Rico, for the right to govern their own country, for the sanctity of their home that had been invaded and the sovereignty over which had been taken from them; but recognizing the fact, which any well-informed man who understands the Anglo-Saxon disposition in dealing with subject provinces will recognize, that independence is impossible, and since independence is not going to be given them, the majority of them expressed a desire to come in under the terms of this bill.

Mr. SMOOT. I asked the question of the Senator because I have received very many letters and petitions asking for the passage of legislation along this line, and also inclosing very many resolutions passed by organizations in Porto Rico—business organizations, religious organizations, and political organizations—and I thought from the correspondence that I have had and the information I have received that a great majority of the people of Porto Rico desired this legislation and preferred it even to independence.

Mr. VARDAMAN. Oh, I do not think that any of them do, but they realize that independence is impossible.

Mr. GRONNA. Mr. President, it is possible I may have misunderstood the statement of the distinguished Senator from Mississippi [Mr. VARDAMAN]; but if I interpret his statement correctly, it was to the effect that not to exceed 1 per cent of the Porto Ricans would vote to become citizens of the United States.

Mr. VARDAMAN. I stated that merely as my opinion. If the question of independence were submitted to them, to choose between being a dependency of the United States or having their independence, I do not believe 1 per cent of them would vote to become a part of the United States. If they should do otherwise they would prove themselves utterly unfit for citizenship in a free country, for a man who does not desire to be free and independent has not the elements of manhood in him essential to the making of a desirable citizen of this Republic.

Mr. GRONNA. That is exactly the way I understood the Senator from Mississippi. I was just going to say that it seems to me that it is not wise for us at this time to enact a law that will compel those people to become citizens of the United States, because that is not government by the consent of the governed.

Mr. SHAFROTH. Mr. President, if the Senator will allow me, I differ with the Senator from Mississippi with relation to that matter. There was a time when the parties to which I have referred insisted upon the right of independence, but since the European war broke out, and they see how helpless small nationalities are, they have ceased any agitation against this provision of the bill, and we have now in Washington representatives of the Unionist Party and representatives of the Republican Party, both satisfied with this very provision of the bill. For that reason, I believe that the great mass of the people down there are in favor of this provision.

Mr. GRONNA. Well, Mr. President, that statement does not help the situation at all. That would be a matter of fear, and not a question of patriotism.

Mr. VARDAMAN. Mr. President, I will state, if the Senator will permit me, that, in my judgment, the conclusion reached by those people was brought about by our failure to give the Filipinos their independence. Those who have any intelligence realize that they are not going to be given their independence, and, since that is not going to be done, they prefer to have this bill. The Senator from Colorado is correct when he says that they would rather have this bill passed as it is than to live as they are living to-day. If, however, you will give them the slightest excuse to hope for independence, I repeat what I said, that I do not believe 1 per cent of them would prefer being a part, a subject province, of the United States to being independent; and it is perfectly natural that they should so feel; but if we do not enact this legislation now, our failure to do so will, I fear, serve to encourage those people to hope for the unattainable.

Mr. GRONNA. Or, in other words, we are simply giving them rights which they in the future will not exercise; we are giving them the same privileges that are given other citizens of the United States, privileges which, according to the statements of members of the committee, they never will accept or exercise.

Mr. SHAFROTH. I do not understand the Senator. I think, if voting is a test, that they will exercise the privileges accorded.

Over 250,000 vote there now. They have exercised the privileges accorded them and they want to retain the privileges which they have had all the time. So far as this provision is concerned, I am satisfied that they will not only consent to it, but that they will be glad to get it just as it has been written in the bill.

Mr. GRONNA. Well, Mr. President, we have had before us a bill which seeks to prevent certain people from entering our borders. Of course, I admit we are not under obligations to them as we are under obligations to the Porto Ricans, but under the immigration bill which we have had before us we exclude people who do want to come to our shores and who are anxious to become citizens of the United States. On the other hand, we are trying to pass a bill here to-night compelling the people of Porto Rico, unwilling though they may be, to become citizens of the United States.

Mr. President, I have always believed that patriotism is what makes the citizen; that the mere fact of passing a bill or enacting a law does not make for good citizenship. Unless the people whom we make citizens desire to become a part of our great Government, unless patriotic motives move them to ask for this great privilege, I do not think we are helping our Government by taking in a class of that kind.

Mr. HARDING. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. GRONNA. Yes; I yield to the Senator.

Mr. HARDING. I desire to ask the Senator from North Dakota if section 5 does not make it possible for any resident of Porto Rico to refrain from becoming a citizen if he so desires?

Mr. GRONNA. Yes; I understand that. But that is an entirely different thing. There may be many Porto Ricans who will not know in six months that a law has been passed by the United States Congress making them citizens of the United States, whether they want to be citizens or not.

Mr. HARDING. If that be true, I do not think it will make very much difference to such a citizen to what Government he gives his allegiance.

Mr. GRONNA. Then, I want to ask the Senator is that the character of people that we want to have as citizens of the United States?

Mr. HARDING. Well, in the uplifting work in which this Government is engaging I think it is becoming for us to make worthy people of such as we can.

Mr. GRONNA. We have just been dealing with the aboriginals of this country, the American Indians, and we are complaining because we have to provide appropriations of public funds to civilize them and to educate them. We have heard a great deal of complaint on that account on this floor within the last two days. Now, we are taking in all classes of people and providing that anyone who lives in this country and on this island, whether it is a Jap or whether it is an Asiatic belonging to any other country, shall be a citizen of the United States.

Mr. President, I shall not, of course, object—it would make very little difference whether I should object or not—but I want at least to give these people a year to think it over. Six months is not sufficient time; and I desire to ask the Senator from Colorado if he would object to striking out "six months" and providing that the time shall be 12 months?

Mr. SHAFROTH. I accept that amendment. It is perfectly satisfactory.

Mr. GRONNA. I make that suggestion.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 7, line 13, it is proposed to strike out "six months" and insert "one year."

The amendment was agreed to.

Mr. SHAFROTH. Also in line 22 of the same page.

Mr. GRONNA. Yes; that is right.

The SECRETARY. It is also proposed, in line 22, to strike out "six months" and insert "one year."

The amendment was agreed to.

Mr. GRONNA. Also in line 24.

The SECRETARY. In line 24, page 7, the same amendment is proposed.

The amendment was agreed to.

Mr. SHAFROTH. Also in line 3 of page 8.

The SECRETARY. On page 8, line 3, it is proposed to strike out "six months" and insert "one year."

The amendment was agreed to.

The reading of the bill was resumed, and the Secretary read to the end of section 7, the last section read being as follows:

SEC. 7. That all property which may have been acquired in Porto Rico by the United States under the cession of Spain in the treaty of peace entered into on the 10th day of December, 1898, in any public bridges, road houses, water powers, highways, unnavigable streams and the beds thereof, subterranean waters, mines or minerals under the surface of

private lands, all property which at the time of the cession belonged, under the laws of Spain then in force, to the various harbor works boards of Porto Rico, all the harbor shores, docks, slips, reclaimed lands, and all public lands and buildings not heretofore reserved by the United States for public purposes, is hereby placed under the control of the government of Porto Rico, to be administered for the benefit of the people of Porto Rico; and the Legislature of Porto Rico shall have authority, subject to the limitations imposed upon all its acts, to legislate with respect to all such matters as it may deem advisable: *Provided*, That the President may from time to time, in his discretion, convey to the people of Porto Rico such lands, buildings, or interests in lands or other property now owned by the United States and within the territorial limits of Porto Rico as in his opinion are no longer needed for purposes of the United States. And he may from time to time accept by legislative grant from Porto Rico any lands, buildings, or other interests or property which may be needed for public purposes by the United States.

Mr. WARREN. Mr. President, I should like to ask the Senator in charge of the bill a question. I am asking for information only: Have proper reservations been made for Army and Navy posts?

Mr. SHAFROTH. If the Senator will notice the language of the bill, it provides that certain property of the United States shall be placed under the control of Porto Rico. We do not lose the title to it, and it is intended that if we need it for military purposes we can use it. It is not the title that we grant to them, but simply the control of it for the time being.

Mr. WARREN. Does not the Senator think that they would naturally conclude that it amounts to the same thing? Does the Senator think that we should specifically retain anything further than what has been retained?

Mr. SHAFROTH. No; I do not think so. I think it is done for that very purpose. And it does not provide that this shall be done as to all of the property; it provides that it shall be done as to public lands and buildings not heretofore reserved.

Mr. WARREN. If our reservations have been complete, very well. I did not understand, however, that they were complete.

Mr. SHAFROTH. I think so.

Mr. WARREN. Is not something further needed for the Navy?

Mr. SHAFROTH. They have been for 18 years studying the question of what they needed down there. If the Senator in the meantime can suggest any amendment, I shall be glad to have him do so.

Mr. WARREN. No; I merely asked for that information, to know whether both the Army and Navy and other branches of the Government had considered the pendency of this bill and its terms so that they have made the reservations necessary. If the Senator can assure me that they have, that is all I desire.

Mr. SHAFROTH. I can state that this bill originally came from the War Department, and consequently they evidently did take that matter into consideration.

Mr. WARREN. So far as the War Department is concerned, yes; but not the Navy.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment was, in section 9, page 11, line 10, after the words "United States," to strike out "whether on articles produced and used within the island or," and in line 13, after the words "United States," to insert "or consumed in the island," so as to make the section read:

Sec. 9. That the statutory laws of the United States not locally inapplicable, except as heretofore or hereinafter otherwise provided, shall have the same force and effect in Porto Rico as in the United States, except the internal-revenue laws: *Provided, however*, That hereafter all taxes collected under the internal-revenue laws of the United States, on articles produced in Porto Rico and transported to the United States, or consumed in the island, shall be covered into the treasury of Porto Rico.

The amendment was agreed to.

The next amendment was, in section 10, page 11, line 20, after the word "act," to strike out "must" and insert "shall," so as to make the section read:

Sec. 10. That all judicial process shall run in the name of "United States of America, ss, the President of the United States," and all penal or criminal prosecutions in the local courts shall be conducted in the name and by the authority of "The People of Porto Rico"; and all officials authorized by this act shall be citizens of the United States, and, before entering upon the duties of their respective offices, shall take an oath to support the Constitution of the United States and the laws of Porto Rico.

Mr. SHAFROTH. Mr. President, the committee has an amendment there which I should like to have presented, and it is this: Strike out, in line 20, the words "authorized by this act must" and insert in lieu thereof "and voters in Porto Rico," so that it will read: "And all officials and voters in Porto Rico shall be citizens of the United States."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed, on page 11, line 20, to strike out "authorized by this act must" and insert "and voters in Porto Rico shall."

The amendment was agreed to.

Mr. SHAFROTH. I also want the word "officials" inserted after the word "offices," in line 22.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 11, line 22, after the word "offices," it is proposed to insert the word "officials."

Mr. SHAFROTH. So that it will read "officials shall take an oath to support the Constitution."

Mr. GRONNA. Mr. President, let us have that read.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The SECRETARY. Before the word "shall," on line 22, page 11, it is proposed to insert the word "officials."

Mr. WARREN. I will ask to have the Secretary read it as it will read after it has been amended.

The SECRETARY. So that it will read:

And all officials and voters in Porto Rico shall be citizens of the United States, and, before entering upon the duties of their respective offices, officials shall take an oath to support the Constitution of the United States and the laws of Porto Rico.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment was, in section 11, page 11, line 25, after the word "to," to insert "any official of," so as to make the section read:

Sec. 11. That all reports required by law to be made by the governor or heads of departments to any official of the United States shall hereafter be made to an executive department of the Government of the United States to be designated by the President, and the President is hereby authorized to place all matters pertaining to the government of Porto Rico in the jurisdiction of such department.

The amendment was agreed to.

The next amendment was, on page 12, line 6, to insert as a subhead "Executive department."

The amendment was agreed to.

The next amendment was, in section 13, page 14, line 6, after the word "and," to strike out "commissioner of education" and insert "treasurer," and in line 14, after the word "governor," to strike out "may be selected from the elected members of the senate and house of representatives, and," so as to make the clause read:

That the following executive departments are hereby created: A department of justice, the head of which shall be designated as the attorney general; a department of finance, the head of which shall be designated as the treasurer; a department of the interior, the head of which shall be designated as the commissioner of the interior; a department of education, the head of which shall be designated as the commissioner of education; a department of agriculture and labor, the head of which shall be designated as the commissioner of agriculture and labor; and a department of health, the head of which shall be designated as the commissioner of health. The attorney general and treasurer shall be appointed by the President, by and with the advice and consent of the Senate of the United States, to hold office for four years and until their successors are appointed and qualified, unless sooner removed by the President. The heads of the four remaining departments shall be appointed by the governor, by and with the advice and consent of the senate of Porto Rico. The heads of departments appointed by the governor shall hold office for the term of four years and until their successors are appointed and qualified, unless sooner removed by the governor.

The amendment was agreed to.

Mr. HARDING. Mr. President, I should like to ask the Senator in charge of the bill to revert to line 11, page 13, and ask him if he does not think it would improve the language of the section to strike out the pronoun "his" in line 11 and insert in place thereof "the President's"?

Mr. SHAFROTH. So that it will read how?

Mr. HARDING. So that it will read:

Until communication can be had with the President, and the President's decision therein made known.

Mr. SHAFROTH. I have no objection to that.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 13, line 11, before the word "decision," it is proposed to strike out the word "his" and insert "the President's."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment was, on page 14, line 20, after the word "incumbency," to insert "and those appointed by the governor shall have resided in Porto Rico for at least one year prior to their appointment," so as to make the clause read:

Heads of departments shall reside in Porto Rico during their official incumbency, and those appointed by the governor shall have resided in Porto Rico for at least one year prior to their appointment.

The amendment was agreed to.

The next amendment was, on page 15, line 8, after the word "provided," to insert " : *Provided*, That the duties herein imposed upon the heads of departments shall not carry with them any additional compensation," so as to make the clause read :

The heads of departments shall collectively form a council to the governor, known as the executive council. They shall perform under the general supervision of the governor the duties hereinafter prescribed or which may hereafter be prescribed by law and such other duties, not inconsistent with law, as the governor, with the approval of the President may assign to them; and they shall make annual and such other reports to the governor as he may require, which shall be transmitted to the executive department of the Government of the United States to be designated by the President as herein provided: *Provided*, That the duties herein imposed upon the heads of departments shall not carry with them any additional compensation.

The amendment was agreed to.

The next amendment was, in section 14, page 15, line 19, before the words "in his judgment," to insert "directed by the governor or if," so as to make the section read :

Sec. 14. That the attorney general shall have charge of the administration of justice in Porto Rico; he shall be the legal adviser of the governor and the heads of departments and shall be responsible for the proper representation of the people of Porto Rico or its duly constituted officers in all actions and proceedings, civil or criminal, in the Supreme Court of Porto Rico in which the people of Porto Rico shall be interested or a party, and he may, if directed by the governor or if in his judgment the public interest requires it, represent the people of Porto Rico or its duly constituted officers in any other court or before any other officer or board in any action or proceeding, civil or criminal, in which the people of Porto Rico may be a party or be interested. He shall also perform such other duties not inconsistent herewith as may be prescribed by law.

The amendment was agreed to.

The next amendment was, in section 15, page 16, line 6, after the word "surety," to insert "or sureties," and in line 21, after the word "with," to insert "interest on deposits shall be required and paid into the treasury," so as to make the section read :

Sec. 15. That the treasurer shall give bond, approved as to form by the attorney general of Porto Rico, in such sum as the legislature may require, not less, however, than the sum of \$125,000, with surety or sureties approved by the governor, and he shall collect and be the custodian of public funds, and shall disburse the same in accordance with law, on warrants signed by the auditor and countersigned by the governor, and perform such other duties as may be provided by law. He may designate banking institutions in Porto Rico and the United States as depositories of the government of Porto Rico, subject to such conditions as may be prescribed by the governor, after they have filed with him satisfactory evidence of their sound financial condition and have deposited bonds of the United States or of the government of Porto Rico or other security satisfactory to the governor in such amounts as may be indicated by him; and no banking institution shall be designated a depository of the government of Porto Rico until the foregoing conditions have been complied with. Interest on deposits shall be required and paid into the treasury.

The amendment was agreed to.

The next amendment was, in section 17, page 17, line 7, after the word "him," where it occurs the second time, to insert "subject to disapproval by the senate if it desires to act," and in line 11, after the word "approval," to insert "and he shall perform such other duties as may be prescribed by law," so as to make the section read :

Sec. 17. That the commissioner of education shall superintend public instruction throughout Porto Rico; all proposed disbursements on account thereof must be approved by him, and all courses of study shall be prepared by him, subject to disapproval by the senate if it desires to act. He shall prepare rules governing the selection of teachers, and appointments of teachers by local school boards shall be subject to his approval, and he shall perform such other duties as may be prescribed by law.

The amendment was agreed to.

The next amendment was, in section 18, page 17, line 18, after the word "develop," to insert "the agricultural interests and," so as to make the section read :

Sec. 18. That the commissioner of agriculture and labor shall have general charge of such bureaus and branches of government as have been or shall be legally constituted for the study, advancement, and benefit of agricultural and other industries, the chief purpose of this department being to foster, promote, and develop the agricultural interests and the welfare of the wage earners of Porto Rico, to improve their working conditions, and to advance their opportunities for profitable employment, and shall perform such other duties as may be prescribed by law.

The amendment was agreed to.

The next amendment was, in section 19, page 17, line 24, after the words "public health," to insert "and," and on page 18, line 1, after the word "sanitation," to strike out "and charities," so as to make the section read :

Sec. 19. That the commissioner of health shall have general charge of all matters relating to public health and sanitation, except such as relate to the conduct of maritime quarantine, and shall perform such other duties as may be prescribed by law.

The amendment was agreed to.

The next amendment was, in section 20, page 18, line 5, after the words "salary of," to strike out "\$6,500" and insert "\$5,000," so as to make the clause read :

Sec. 20. That there shall be appointed by the President an auditor, at an annual salary of \$5,000, for a term of four years and until his

successor is appointed and qualified, who shall examine, audit, and settle all accounts pertaining to the revenues and receipts, from whatever source, of the government of Porto Rico and of the municipal governments of Porto Rico, including public trust funds and funds derived from bond issues; and audit, in accordance with law and administrative regulations, all expenditures of funds or property pertaining to or held in trust by the government of Porto Rico or the municipalities or dependencies thereof. He shall perform a like duty with respect to all government branches.

The amendment was agreed to.

The next amendment was, on page 20, line 13, after the word "auditor," to strike out "and deputy auditor," so as to make the clause read :

The office of the auditor shall be under the general supervision of the governor and shall consist of the auditor and such necessary assistants as may be prescribed by law.

The amendment was agreed to.

The next amendment was, in section 21, page 20, line 18, after the words "writing to the," to strike out "governor, which appeal shall specifically set forth the particular action of the auditor to which exception is taken, with the reason and authorities relied on for reversing such decision. The decision of the governor in such case shall be final and conclusive" and insert "district court of the district wherein the auditor's office is situate, which appeal shall be based upon all of the papers, files, records, or data used before the auditor; and when said appeal is filed in said court, said appeal shall become an action pending in said court, and shall be governed by and subjected to all of the rules, proceedings, and processes pertaining to said court, including the right of appeal to the Supreme Court of Porto Rico; and in all such actions the people of Porto Rico shall be represented as in this act hereinbefore provided," so as to make the section read :

Sec. 21. That any person aggrieved by the action or decision of the auditor in the settlement of his account or claim may, within one year, take an appeal in writing to the district court of the district wherein the auditor's office is situate, which appeal shall be based upon all of the papers, files, records, or data used before the auditor; and when said appeal is filed in said court, said appeal shall become an action pending in said court, and shall be governed by and subjected to all of the rules, proceedings, and processes pertaining to said court, including the right of appeal to the Supreme Court of Porto Rico; and in all such actions the people of Porto Rico shall be represented as in this act hereinbefore provided.

Mr. SHAFROTH. I wish to move a committee amendment there. In line 18, I move to strike out "one year" and insert "ninety days." It seems that the appeal from the auditor should be made in a shorter time.

The amendment to the amendment was agreed to.

Mr. LODGE. There is a mere verbal change that should be made, if I may suggest it to the Senator.

Mr. SHAFROTH. I will be glad to hear it.

Mr. LODGE. Why not strike out "of the," in line 25, and "of the," in line 3?

Mr. SHAFROTH. Very well, I have no objection.

Mr. LODGE. I think it makes it a little smoother.

Mr. SHAFROTH. Probably it does.

The amendment to the amendment was agreed to.

Mr. LODGE. Again, on page 20, line 25, strike out the words "of the."

Mr. SHAFROTH. The only words to be stricken out, I understand, in each instance are the words "of the."

The PRESIDING OFFICER. "Of the."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, in section 22, page 21, line 16, after the word "legislature," to insert "and perform all of the duties of secretary of Porto Rico as now provided by law"; in line 21, after the word "shall," to strike out "designate" and insert "appoint"; and in the same line, after the word "some," to strike out "officer or employee of the government" and insert "person," so as to make the section read :

Sec. 22. That there shall be appointed by the governor, by and with the advice and consent of the Senate of Porto Rico, an executive secretary at an annual salary of \$4,000, who shall record and preserve the minutes and proceedings of the public-service commission hereinafter provided for and the laws enacted by the legislature and all acts and proceedings of the governor, and promulgate all proclamations and orders of the governor and all laws enacted by the legislature, and perform all of the duties of secretary of Porto Rico as now provided by law, and perform such other duties as may be assigned to him by the Governor of Porto Rico. In the event of a vacancy in the office, or the absence, illness, or temporary disqualification of such officer, the governor shall appoint some person to discharge the functions of said office during such vacancy, absence, illness, or temporary disqualification.

Mr. LODGE. I move to strike out the words "of the" in line 16, so as to read: "and perform all the duties."

The amendment to the amendment was agreed to.

Mr. SHAFROTH. The committee desires to offer an amendment there. After the word "and," in line 16, page 21, insert: "until otherwise provided by the Legislature of Porto Rico."

The amendment to the amendment was agreed to.

Mr. SHAFROTH. I wish to offer another amendment for the committee. After the word "law," in line 17, page 21, I move to insert the words "except as otherwise specified in this act."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 22, line 16, to insert as a subhead "Legislative department."

The amendment was agreed to.

The next amendment was, in section 25, page 22, line 17, after the word "legislative," to strike out "power" and insert "powers," so as to make the section read:

SEC. 25. That all local legislative powers in Porto Rico, except as herein otherwise provided, shall be vested in a legislature which shall consist of two houses, one the senate and the other the house of representatives, and the two houses shall be designated "the Legislature of Porto Rico."

The amendment was agreed to.

Mr. MARTINE of New Jersey. Mr. President, I should like to ask the chairman of the committee whether it is proper at this juncture to interpose an amendment. I wish to move to strike out on page 23, beginning at the word "and" in line 10, "and who does not own in his individual right taxable property in Porto Rico to the value of not less than \$1,000 and assessed in his name and upon which he pays taxes."

Mr. SHAFROTH. I will state that we are reading the bill now for action upon the committee amendments and when those are disposed of the bill will be open for individual amendments, and the amendment will then be in order.

Mr. MARTINE of New Jersey. Very well.

Mr. KENYON. I should like to ask the Senator if in any event that amendment will not go over until to-morrow?

Mr. SHAFROTH. I do not know; I am trying to get the bill through to-night, but it does not look like it. The chances are that we will not get it through.

Mr. MARTINE of New Jersey. I trust the Senator will permit it to go over, for there are features which to my democratic thought are very objectionable. On page 24 I find another of a similar character, and then on page 37—

Mr. SHAFROTH. I will state to the Senator that he will be given an opportunity to express his views and to propose amendments, but I should like to run on for a little while and see whether or not we can not complete the bill to-night.

Mr. MARTINE of New Jersey. If that is understood, I shall have no objection.

The PRESIDING OFFICER. There are several amendments proposed to the bill besides the committee amendments. Of course, the Senator from New Jersey can withhold his amendment until the committee amendments are acted upon.

The next amendment was in section 26, page 23, line 12, after "\$1,000," to insert "assessed in his name and upon which he pays taxes," so as to read:

SEC. 26. That the Senate of Porto Rico shall consist of 19 members elected for terms of four years by the qualified electors of Porto Rico. Each of the seven senatorial districts defined as hereinafter provided shall have the right to elect two senators, and in addition thereto there shall be elected five senators at large. No person shall be a member of the Senate of Porto Rico who is not over 30 years of age, and who is not able to read and write either the Spanish or English language, and who has not been a resident of Porto Rico for at least two consecutive years, and, except in the case of senators at large, an actual resident of the senatorial district from which chosen for a period of at least one year prior to his election, and who does not own in his individual right taxable property in Porto Rico to the value of not less than \$1,000 assessed in his name and upon which he pays taxes.

The PRESIDING OFFICER. The amendment will go over.

The next amendment was, in section 26, page 23, line 19, after the word "senate," to insert "for the session," and in line 22, before the word "elected," to insert "declared," so as to read:

Except as herein otherwise provided, the Senate of Porto Rico shall exercise all of the purely legislative powers and functions heretofore exercised by the executive council, including confirmation of appointments; but appointments made while the senate is not in session shall be effective either until disapproved or until the next adjournment of the senate for the session. In electing the five senators at large each elector shall be permitted to vote for but one candidate, and the five candidates receiving the largest number of votes shall be declared elected.

Mr. FLETCHER. I inquire of the Senator if he has thought out exactly how that system would work. For instance, each elector is to vote for only one of the five candidates for senator at large, and it might be possible that a man might be elected senator who would not get over three or four votes.

Mr. SHAFROTH. I will state to the Senator the object of that is to have minority representation and not the political system of putting up a set of nominees and sweeping them in by the same vote. It was thought wise in Porto Rico to have a minority representation, so that they could concentrate their vote on one, and by that means a minority of the voters down

there would have one representative in the senate. That was the object and purpose.

Mr. FLETCHER. I can see the object; but the point I have in mind is that the electors, for instance, can only vote for one and there are five to be elected. It might be possible that these electors will know A, B, C, and D, and perhaps will not know some one else who might be fit for the senate. They might not vote for more than four, and it might be that one man would get one vote and be elected senator.

Mr. SHAFROTH. I do not think there is any likelihood of that, because any man who gets a nomination from any political party will have some strength. The object is to give minority representation, so that there will not be a solid vote of one political party down there.

Mr. FLETCHER. It is supposed that there will be nominations before the election?

Mr. SHAFROTH. Oh, yes; there will be nominations before the election. For instance, the Socialist Party would have by that means an opportunity to have one man in the senate or in the house.

Mr. FALL. It would be perfectly feasible, however, to elect one, as the Senator from Florida suggests.

Mr. SHAFROTH. It is not likely that there would be one man not voted for.

Mr. FALL. Is it not possible?

Mr. SHAFROTH. It is possible, but hardly conceivable. The man would be nominated by a political party and he would get some votes.

Mr. KENYON. Each candidate could vote for himself, I take it.

Mr. FALL. If there is a provision that each candidate can vote for himself, in all probability under the provision five would be elected, but it is very possible there would be no opposing candidate if only five were candidates and they were all agreed and nominated by one convention or by two conventions getting together. The bodies would then have to mutually agree so as to enable them to elect five.

The next amendment was, in section 27, page 24, line 8, after the word "right," to strike out "taxable" and insert "and pay taxes upon," and in line 9, after the words "Porto Rico," to insert "of the assessed value of not less than \$500," so as to make the section read:

SEC. 27. That the House of Representatives of Porto Rico shall consist of 39 members elected quadrennially by the qualified electors of Porto Rico, as hereinafter provided. Each of the representative districts hereinafter provided for shall have the right to elect one representative, and in addition thereto there shall be elected four representatives at large. No person shall be a member of the house of representatives who is not over 25 years of age, and who is not able to read and write either the Spanish or English language, and who does not own in his individual right and pay taxes upon property, real or personal, situated in Porto Rico, of the assessed value of not less than \$500, and, except in the case of representative at large, who has not been a bona fide resident of the district from which elected for at least one year prior to his election. In electing the four representatives at large, each elector shall be permitted to vote for but one candidate and the four candidates receiving the largest number of votes shall be elected.

Mr. MARTINE of New Jersey. I wish to make a reservation on page 24, line 7, beginning with the word "and" and encompassing that portion of the line and the eighth and ninth, down to and including the words "assessed value of not less than \$500."

Mr. SHAFROTH. That will come up at the time when individual amendments are offered.

The PRESIDING OFFICER. The amendment will be passed over.

The amendment was agreed to.

The next amendment was, in section 28, page 24, line 21, after the words "made by a," to strike out "commission of three persons to be appointed by the governor, one member of which shall be chosen by him from each of the two political parties casting the highest number of votes at the last general election, and the third member of which shall be chosen at his discretion," and insert "the executive council of Porto Rico"; on page 25, line 5, after the word "said," to strike out "commission" and insert "executive council"; in line 9, before the word "days," to strike out "ninety" and insert "thirty"; and in line 10, after the word "final," to strike out "In case said commission shall fail within such period to make a report re-districting the island, then the executive council of Porto Rico shall be empowered, and shall proceed at once, to re-district the island as indicated, and their report, when approved by the governor, shall be final," so as to make the section read:

SEC. 28. That for the purpose of elections hereafter to the legislature the island of Porto Rico shall be divided into 35 representative districts, composed of contiguous and compact territory and established, so far as practicable, upon the basis of equal population. The division into and the demarcation of such districts shall be made by the executive council of Porto Rico. Division of districts shall be made as

nearly as practicable to conform to the topographical nature of the land, with regard to roads and other means of communication and to natural barriers. Said executive council shall also divide the island of Porto Rico into seven senatorial districts, each composed of five contiguous and compact representative districts. They shall make their report within 30 days after the approval of this act, which report, when approved by the governor, shall be final.

The amendment was agreed to.

The next amendment was, in section 29, page 26, line 6, after the word "boundaries," to insert "of senatorial and representative districts and," so as to make the section read:

SEC. 29. That the next election in Porto Rico shall be held in the year 1916 upon the date now provided by law, and that there shall then be chosen senators and representatives as herein provided. Thereafter such elections shall be held every four years. That all other elective officials, except those as to which it is otherwise provided in this act, shall be elected upon the same date, beginning with the year 1920, and that the term of office of all municipal officials expiring at the close of the year 1918 is hereby extended until the officials who may be elected to fill such municipal offices in 1920 shall have duly qualified: *Provided, however,* That nothing herein contained shall be construed to limit the right of the Legislature of Porto Rico at any time to revise the boundaries of senatorial and representative districts and of any municipality or to abolish any municipality and the officers provided therefor.

The amendment was agreed to.

Mr. GRONNA. I inquire of the Senator having the bill in charge if he does not wish to change the date on page 25?

Mr. VARDAMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Mississippi?

Mr. VARDAMAN. I was just going to call attention to section 29, which provides that—

Mr. GRONNA. The date 1916 should be changed.

The PRESIDING OFFICER. The Chair will state to the Senator from Mississippi that the Chair has recognized the Senator from North Dakota, who is suggesting an amendment on page 25. Then the Chair will recognize the Senator from Mississippi.

Mr. VARDAMAN. That is all right.

Mr. GRONNA. The bill provides for an election in Porto Rico in 1916, and the date should be changed.

Mr. SHAFROTH. Yes; I recognize that that should be changed, but I thought we would take that up when the Senator from Washington [Mr. POINDEXTER] presents an amendment which he has introduced here, which somewhat changes it all. For that reason I ask that the paragraph may go over until the Senator from Washington presents his amendment, when individual amendments are in order.

The PRESIDING OFFICER. Does the Chair understand the Senator from Colorado to accept the amendment changing the year?

Mr. SHAFROTH. No; I think we had better let the section go over without any amendment, because the Senator from Washington has a very comprehensive amendment which he is going to present.

The PRESIDING OFFICER. Without objection, the section will go over.

The reading of the bill was resumed at section 30, on page 26.

Mr. SHAFROTH. Mr. President, the committee has an amendment to offer at that point to strike out lines 9 and 10 and the first four words of line 11, on page 26, and to insert in lieu thereof the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 26 it is proposed to strike out, beginning in line 9, the words "That the terms of office of senators and representatives shall be four years from the 1st of January following their election" and in lieu thereof to insert:

That the term of office of senators and representatives chosen by the first general election shall be until January 1, 1921, and the terms of office of senators and representatives chosen at subsequent elections shall be four years from the 2d of January following their election.

The amendment was agreed to.

The next amendment of the Committee on Pacific Islands and Porto Rico was, in section 30, page 26, line 17, after the word "occurred," to insert:

And no senator or representative shall, during the time for which he shall have been elected, be appointed to any civil office under the government of Porto Rico, nor be appointed to any office created by act of such legislature until four years after his term of office shall have expired.

The amendment was agreed to.

The next amendment was, in section 31, page 26, line 25, after the words "per day," to insert "for the first 90 days of each regular session and \$1 per day for each additional day of such session," so as to make the section read:

SEC. 31. That members of the Senate and House of Representatives of Porto Rico shall receive compensation at the rate of \$7 per day for the first 90 days of each regular session and \$1 per day for each additional day of such session while in session and mileage for each session at the rate of 10 cents per kilometer for each kilometer actually

and necessarily traveled in going from their legislative districts to the capital and therefrom to their place of residence in their districts by the usual routes of travel.

The amendment was agreed to.

The reading of the bill was resumed and continued to section 33, on page 27.

Mr. SHAFROTH. Mr. President, the committee has an amendment to offer at that point, to strike out, on page 27, from line 17 to 20 and to insert in lieu thereof the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Colorado will be stated.

The SECRETARY. On page 27 it is proposed to strike out the following language:

That the first regular session of the Legislature of Porto Rico provided for by this act shall convene on the second Monday in February, 1917, and biennially thereafter.

And in lieu thereof to insert:

That the first regular session of the Legislature of Porto Rico provided for by this act shall convene on the 28th day after the next election provided for herein, and regular sessions of the legislature shall be held biennially thereafter, convening on the second Monday in February of the year 1919 and on the second Monday in February of each second year thereafter.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Pacific Islands and Porto Rico was, in section 33, page 27, line 20, after the word "thereafter," to strike out "but no regular session shall continue longer than 90 days, not including Sundays, holidays, or days during which both houses may by concurrent resolution, with the approval of the governor, have agreed to a recess"; on page 28, line 1, after the words "require it," to strike out "and shall call the senate in special session at least once each year on the second Monday in February of those years in which a regular session of the legislature is not provided for"; and in line 7, after the word "call," to insert "and he shall call the senate in special session at least once each year on the second Monday in February of those years in which a regular session of the legislature is not provided for," so as to read:

The governor may call special sessions of the legislature or of the senate at any time when in his opinion the public interest may require it, but no special session shall continue longer than 10 days, not including Sundays and holidays, and no legislation shall be considered at such session other than that specified in the call, and he shall call the senate in special session at least once each year on the second Monday in February of those years in which a regular session of the legislature is not provided for.

The amendment was agreed to.

The reading of the bill was resumed and continued to section 34, on page 28, line 14.

Mr. SHAFROTH. After the name "Porto Rico," in line 14, page 28, the committee desires to insert the words "except as hereinafter provided."

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from Colorado.

The SECRETARY. On page 28, line 14, after the name "Porto Rico," it is proposed to insert "except as hereinafter provided," so as to read:

SEC. 34. That the enacting clause of the laws shall be as to acts, "Be it enacted by the Legislature of Porto Rico," and as to joint resolutions, "Be it resolved by the Legislature of Porto Rico," except as hereinafter provided.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on the Pacific Islands and Porto Rico was, in section 34, page 28, line 20, after the word "majority," to insert "yea-and-nay"; in line 21, after the word "house," to insert "and entered upon the journal"; and, in line 25, after the word "to," to strike out "that" and insert "the," so as to read:

That the enacting clause of the laws shall be as to acts, "Be it enacted by the Legislature of Porto Rico," and as to joint resolutions, "Be it resolved by the Legislature of Porto Rico." Bills and joint resolutions may originate in either house. The governor shall submit at the opening of each regular session of the legislature a budget of receipts and expenditures, which shall be the basis of the ensuing biennial appropriation bill. No bill shall become a law until it be passed in each house by a majority yea-and-nay vote of all the members belonging to such house and entered upon the journal and be approved by the governor within 10 days thereafter. If when a bill that has been passed is presented to the governor for his signature he approves the same, he shall sign it; or if not, he shall return it, with his objections, to the house in which it originated, which house shall enter his objections at large in its journal and proceed to reconsider it.

The amendment was agreed to.

The reading of the bill was resumed, and continued to line 14, on page 29.

Mr. SHAFROTH. At that point, on line 14, after the word "law," I move to insert the amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Colorado will be stated.

The SECRETARY. On page 29, line 14, after the word "law," it is proposed to insert the following:

*Provided, That the President of the United States shall approve or disapprove an act submitted to him under the provisions of this section within 90 days from and after its submission for his approval; and if not approved by him within such time, it shall become a law the same as if it has been specifically approved.*

The amendment was agreed to.

The next amendment of the Committee on the Pacific Islands and Porto Rico was, in section 34, page 29, line 17, after the word "items," to insert "or any part or parts, portion or portions thereof"; in line 20, after the word "items," to insert "parts or portions thereof"; and, on page 30, line 1, before the word "days," to strike out "ten" and insert "thirty," so as to read:

If any bill presented to the governor contains several items of appropriation of money, he may object to one or more of such items, or any part or parts, portion or portions thereof, while approving of the other portion of the bill. In such case he shall append to the bill, at the time of signing it, a statement of the items parts or portions thereof to which he objects, and the appropriation so objected to shall not take effect. If any bill shall not be returned by the governor within 10 days (Sundays excepted) after it shall have been presented to him, it shall be a law in like manner as if he had signed it, unless the legislature by adjournment prevents its return, in which case it shall be a law if signed by the governor within 30 days after receipt by him; otherwise it shall not be a law.

The amendment was agreed to.

The next amendment was, on page 30, after line 15, to insert:

Each house shall keep a journal of its proceedings, and may, in its discretion, from time to time publish the same, except such parts as require secrecy, and the yeas and nays on any question shall, at the desire of any two members, be entered on the journal.

The session of each house and of the committees of the whole shall be open, unless when the business is such as ought to be kept secret, in which event a motion must be passed by a yeas-and-nays vote authorizing the secret session.

Neither house shall, without the consent of the other, adjourn for more than three days, nor to any other place than that in which the two houses shall be sitting.

No law shall be passed except by bill, and no bill shall be so altered or amended on its passage through either house as to change its original purpose.

No act of the legislature shall take effect until 90 days after its passage, unless in case of emergency (which shall be expressed in the preamble or body of the act) the legislature shall by a vote of two-thirds of all the members elected to each house otherwise direct. No bill except the general appropriation bill for the expenses of the government only, introduced in either house of the legislature after the first 40 days of the session, shall become a law.

Mr. VARDAMAN. Mr. President, I should like to ask the Senator in charge of the bill a question in regard to the provision relating to secret sessions. I think that perhaps it has been changed since I read it and since it was considered in committee. What is the use of providing for secret sessions in the Porto Rican Legislature? Does the Senator think it is a good idea for Congress to bequeath to these people that unfortunate custom that prevails here?

Mr. SHAFROTH. There might come up for consideration by the Porto Rican Legislature some question which would make the holding of a secret session desirable. This provision is similar to general provisions in State constitutions; but if the Senator moves to strike it out, I shall not resist his motion.

Mr. VARDAMAN. I reserve the right to do so.

Mr. FALL. I will make the motion right now, and settle it.

Mr. VARDAMAN. I think it will be better to strike it out. I do not see any necessity for it at all.

Mr. FALL. If the Legislature of Porto Rico is authorized to legislate for the people of Porto Rico, it has itself enough intelligence to know whether or not it ought to go into secret session. If it thinks it should, it can do so by vote, without the Congress of the United States imposing a secret session on them.

Mr. VARDAMAN. I hope the Senator will make that motion.

Mr. SHAFROTH. Mr. President, this does not force secret sessions on them. It simply gives permission to hold such sessions.

Mr. FALL. They will be permitted to hold them if they have all the legislative powers we give them here, without saying anything on the subject.

Mr. VARDAMAN. I move that that provision be stricken from the bill.

Mr. SHAFROTH. The Senator does not mean the entire paragraph, as I understand it, but only from the word "open," in line 22.

Mr. VARDAMAN. I mean the provision in regard to secret sessions.

Mr. SHAFROTH. The part which the Senator moves to strike out is all after the word "open," in line 22, the remainder of that paragraph.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 30, line 22, after the word "open," it is proposed to strike out "unless when the business is such as ought to be kept secret, in which event a motion must be passed by a yeas-and-nays vote authorizing the secret session."

Mr. HARDING. Now, Mr. President, I should like to ask the Senator in charge of the bill how the Legislature of Porto Rico can elect to hold a secret session under that provision in the organic law?

Mr. SHAFROTH. Well, we are striking out that part now, so that there will be no secret sessions held.

Mr. HARDING. I understand we are striking it out, so that the organic law will specifically provide that—

The sessions of each house and of the committees of the whole shall be open.

Mr. SHAFROTH. Yes.

Mr. HARDING. If it is desired to leave it optional, the whole paragraph should be stricken out.

Mr. SHAFROTH. There seems to be objection to that. I am generally in favor of open sessions. This provision, however, was put in with the idea that it was wise to do so, but I have got to get this bill through.

Mr. VARDAMAN. Let it go out. It does no good, and may do some harm.

Mr. SHAFROTH. The objection which is made by the Senator from New Mexico and by the Senator from Mississippi is that they are opposed to any permission to hold secret sessions—

Mr. FALL. I am opposed to secret sessions there or here or anywhere else.

Mr. SHAFROTH. So, I accept the amendment.

Mr. VARDAMAN. Very well; let it go out.

The PRESIDING OFFICER. The Chair will inquire what it is proposed to strike out? Is it proposed to strike out the whole paragraph or only the words after the word "open."

Mr. SHAFROTH. It is proposed to strike out all after the word "open," so that it will read:

The sessions of each house and of the committees of the whole shall be open.

Mr. KENYON. Mr. President, that will leave the bill, then, so that the sessions of the legislative bodies of Porto Rico and of committees of the whole must be open.

Mr. SHAFROTH. I think so.

Mr. KENYON. Of course, I am very strongly in favor of that; but I think it smacks a good deal of hypocrisy for a body that holds secret sessions and keeps up the antiquated and hoary-headed fetich itself to impose open sessions on these people.

Mr. VARDAMAN. We are trying to tell the people of Porto Rico in their government to do what they ought to do, and not to do as we do.

Mr. KENYON. We had better reform ourselves first.

Mr. VARDAMAN. Well, some of us want to do that; but we can not. We can, however, do this.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HARDING. Mr. President, I object to the acceptance of the amendment. I am not in accord with the Senators about it. I can understand that there are occasions when there must be secret sessions of a legislative body, notwithstanding the disposition to throw everything open. I am opposed to putting a provision in the organic law of Porto Rico that absolutely forbids the holding of such sessions. If anything is done, we ought to strike out the entire paragraph or else leave it as it is.

Mr. POINDEXTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Washington?

Mr. HARDING. I do.

Mr. POINDEXTER. My understanding of the contention that has been made by certain Senators here is not that there shall never be any secret sessions of the senate. The Senate from Nebraska [Mr. NORRIS], for instance, who I know has been quite active in that matter, has simply contended for a change in the regular custom, so that instead of having the regular custom of secret sessions in connection with all executive business, his idea is that sessions should be open except in those special cases where the senate decides it necessary to have closed sessions.

While I am on my feet I should like to call attention to one other matter in this amendment which is now proposed to be stricken out, and that is the proviso that requires a yeas-and-nays vote before a secret session is held. I think that is a very good provision, so that men who vote for a secret session will be known and their votes will be recorded. There is in that a good deal of the same sort of protection as in the provision of our

own Constitution, which gives the right to a yea-and-nay vote under certain circumstances.

Mr. HARDING. The Senator from Washington will agree, will he not, that if the sentence be left in the organic act—"the sessions of each house and of the committees of the whole shall be open"—no secret session will be possible; that it would not be lawful ever to hold a secret session?

Mr. POINDEXTER. I do agree to that, and what I have just said was intended to be in agreement with the Senator from Ohio.

The PRESIDING OFFICER. Does the Senator from Ohio offer an amendment to strike out the words "the sessions of each house and of the committees of the whole shall be open"?

Mr. HARDING. I have some doubt about the wisdom of striking out the entire paragraph from line 21 to line 24, inclusive; but if anything is stricken out the entire paragraph should be stricken out. Personally, I am in favor of leaving it as it is, because we embody the suggested reform as affecting the United States Senate by leaving in the organic act as here provided a provision for the holding of secret sessions on motion, after a yea-and-nay vote.

Mr. SHAFROTH. We are trying to expedite matters as much as we can, for I do not know when I shall be able to get another session for the consideration of this bill, and I will ask the Senator if he will consent to let that go over?

Mr. HARDING. If the whole paragraph goes over, I have no objection.

Mr. SHAFROTH. Very well.

Mr. FALL. Mr. President, before the clause goes over I have one word I wish to say about it. The Senate of the United States could very well modify its rules and provide possibly for secret sessions for the consideration of foreign affairs and open sessions as to other matters. The Legislature of Porto Rico will have no right to consider foreign affairs; there will never be any foreign affairs or treaties or matters of that kind brought before the legislature of that island. The senate of Porto Rico may act, as is the case in the Senate of the United States, on nominations sent to it. The senate of Porto Rico may act in the matter of the confirmation of those officials who are appointed by the governor, but that would be the only case, reasoning by analogy, when they would go into secret session.

I do not believe in secret sessions, and I do not believe in authorizing these people to hold secret sessions of their legislature when we are just making them citizens of the United States. I believe in compelling them to conduct the business that comes before them in open and not in secret session, particularly in view of the statement that has been made here by the chairman of the committee who has this bill in charge, that these very people would prefer, if possible, if they could bring it about, to become citizens of Porto Rico or to have an independent government and not remain citizens of the United States. We are conferring upon them, to my mind, the greatest privilege that a living human being can have, namely, citizenship of the United States; and I believe in compelling these people whom we are endeavoring to make American citizens to conduct the legislative business that we are placing in their hands in open and not in secret sessions.

Mr. SHAFROTH. Has the Senator any objection to letting this matter go over to a later time?

Mr. FALL. I have no objection to that, but I wanted to express myself now.

The PRESIDING OFFICER. Without objection, the paragraph will be passed over.

Mr. JONES. Mr. President, I want to express my concurrence in what the Senator from New Mexico [Mr. FALL] has said. While I am in favor sometimes of having secret sessions in the Senate, I think, as a general rule, the sessions of the Senate should be open. I can appreciate some situations that would warrant us in holding secret sessions, but I can not think of any condition of affairs that would warrant these people to transact their business in secret session. I do not remember of any case in connection with the organization of a Territorial government for any of the Territories that have subsequently become States where we have ever had any provision of this kind, and I should like to ask the chairman of the committee if there are such instances?

Mr. SHAFROTH. Yes; in the constitution of the State of Colorado this identical provision is found.

Mr. FALL. Yes; but not in the organic act by the Congress of the United States creating it a Territory.

Mr. SHAFROTH. No; but in the constitution of the State a similar provision is found.

Mr. JONES. That is your State constitution.

Mr. SHAFROTH. I am not insisting upon it. The only thing I should like to do is to get this matter passed over, so that we can make some headway with the bill. No doubt if it comes up again—

Mr. JONES. Of course it will come up again if it is passed over.

Mr. SHAFROTH. Oh, yes; it will come up again.

Mr. JONES. I think it ought to be stricken out.

The PRESIDING OFFICER. Without objection, the paragraph will be passed over.

Mr. SHAFROTH. After the word "legislature," in line 6, page 31, I move to insert "except the general appropriation bills for the expenses of the government."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 31, line 6, after the word "legislature," it is proposed to insert "except the general appropriation bills for the expenses of the government."

The amendment to the amendment was agreed to.

The Secretary resumed the reading of the amendment, as follows:

No bill shall be considered or become a law unless referred to a committee, returned therefrom, and printed for the use of the members.

No bill, except general appropriation bills, shall be passed containing more than one subject, which shall be clearly expressed in its title; but if any subject shall be embraced in any act which shall not be expressed in the title, such act shall be void only as to so much thereof as shall not be so expressed.

Every bill shall be read at length, on three different days, in each house; all substantial amendments made thereto shall be printed for the use of the members before the final vote is taken on the bill; and no bill shall become a law except by vote of a majority of all the members elected to each house, nor unless on its final passage the vote be taken by yeas and nays and the names of those voting be entered on the Journal.

No amendment to any bill by one house shall be concurred in by the other, nor shall the report of any committee of conference be adopted in either house, except by a vote of a majority of the members elected thereto, taken by yeas and nays and the names of those voting recorded upon the Journal thereof.

No law shall be revived, or amended, or the provisions thereof extended or conferred by reference to its title only, but so much thereof as is revived, amended, extended, or conferred shall be reenacted and published at length.

The presiding officer of each house shall, in the presence of the house over which he presides, sign all bills and joint resolutions passed by the legislature, after their titles shall have been publicly read, immediately before signing; and the fact of signing shall be entered on the Journal.

The legislature shall prescribe by law the number, duties, and compensation of the officers and employees of each house; and no payment shall be made from the treasury, or be in any way authorized to any person, except to an acting officer or employee elected or appointed in pursuance of law.

No bill shall be passed giving any extra compensation to any public officer, servant or employee, agent or contractor, after services shall have been rendered or contract made, nor providing for the payment of any claim made against Porto Rico without previous authority of law.

Except as otherwise provided in this act, no law shall extend the term of any public officer, or increase or diminish his salary or emoluments after his election or appointment, nor permit any officer or employee to draw compensation for more than one office or position.

All bills for raising revenue shall originate in the house of representatives, but the senate may propose amendments, as in case of other bills.

The general appropriation bill shall embrace nothing but appropriations for the ordinary expenses of the executive, legislative, and judicial departments, interest on the public debt, and for public schools. All other appropriations shall be made by separate bills, each embracing but one subject.

The legislature shall not delegate to any special commission, private corporation, or association any power to make, supervise, or interfere with any municipal improvement, money, property, or effects, whether held in trust or otherwise, or to levy taxes, or to perform any municipal function whatever.

No obligation or liability of any person, association, or corporation, held or owned by Porto Rico, or any municipal corporation therein, shall ever be exchanged, transferred, remitted, released, or postponed, or in any way diminished by the legislature, nor shall such liability or obligation be extinguished except by payment thereof into the proper treasury.

Every order, resolution, or vote to which the concurrence of both houses may be necessary, except on the question of adjournment, or relating solely to the transaction of business of the two houses, shall be presented to the governor, and before it shall take effect be approved by him, or, being disapproved, shall be repassed by two-thirds of both houses, according to the rules and limitations prescribed in case of a bill.

Any person who shall, directly or indirectly, offer, give, or promise any money or thing of value, testimonial, privilege, or personal advantage to any executive or judicial officer or member of the legislature to influence him in the performance of any of his public or official duties, shall be deemed guilty of bribery, and be punished by a fine not exceeding \$5,000, or imprisonment not exceeding five years, or both.

The offense of corrupt solicitation of members of the legislature, or of public officers of Porto Rico, or of any municipal division thereof, and any occupation or practice of solicitation of such members or officers to influence their official action, shall be defined by law, and shall be punished by fine and imprisonment.

A member who has a personal or private interest in any measure or bill proposed or pending before the legislature shall disclose the fact to the house of which he is a member, and shall not vote thereon.

In case the available revenues of Porto Rico for any fiscal year are insufficient to meet all the appropriations made by the legislature for such year, such appropriations shall be paid in the following order:

Mr. SHAFROTH. In line 12, page 35, after the word "year," I move to insert "including available surplus in the insular treasury."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. In line 12, page 35, after the word "year," it is proposed to insert "including available surplus in the insular treasury."

The amendment to the amendment was agreed to.

Mr. CLAPP. Mr. President, what are we agreeing to now? Several amendments have been passed over, and some modifications have been made; but this is all one amendment.

The PRESIDING OFFICER. This is all one amendment proposed by the committee. The Senator from Colorado is merely perfecting his amendment. It will all come up for consideration as amended.

Mr. CLAPP. Yes; but what I am getting at is this: As we pass each of these paragraphs, is it understood that they are agreed to?

The PRESIDING OFFICER. This is all one amendment. The part the Secretary has been reading for some time is all one amendment.

Mr. CLAPP. That is what I said, but the chairman says "no." What I am getting at is this: I understand that the chairman is very anxious to have the bill read through instead of taking up these matters and disposing of them as we come to them. For that reason there are some things I do not care to-night to raise a question about.

Mr. SHAFROTH. I will state to the Senator from Minnesota that if, at any time, he wishes to recur to any of these provisions, I shall be perfectly willing to cooperate with him in any way to have the matter come before the Senate.

The PRESIDING OFFICER. The Chair desires to state that the matter commencing on page 30, line 16, on up as far as the Secretary has gone, is all one amendment.

Mr. CLAPP. All one amendment, and yet part of it has been passed over.

The PRESIDING OFFICER. And up to line 18, on page 36, it is all one amendment. The Senator from Colorado is merely offering his amendments to the amendment to perfect it. Then it will be submitted for agreement or rejection. The Secretary will continue the reading of the amendment.

The Secretary resumed the reading of the amendment, as follows:

First class. The ordinary expenses of the legislative, executive, and judicial departments of the State government, and interest on any public debt, shall first be paid in full.

Second class. Appropriations for all institutions, such as the penitentiary, insane asylum, industrial school, and the like, where the inmates are confined involuntarily, shall next be paid in full.

Third class. Appropriations for education and educational and charitable institutions shall next be paid in full.

Fourth class. Appropriations for any other officer or officers, bureaus or boards, shall next be paid in full.

Fifth class. Appropriations for all other purposes shall next be paid. That in case there are not sufficient revenues for any fiscal year to meet in full the appropriations of said year for all of the said classes of appropriations, then said revenues shall be applied to the classes in the order above named, and if, after the payment of the prior classes in full, there are not sufficient revenues for any fiscal year to pay in full the appropriations for that year for the next class, then, in that event, whatever there may be to apply on account of appropriations for said class shall be distributed among said appropriations pro rata according as the amount of each appropriation of that class shall bear to the total amount of all of said appropriations for that class for said fiscal year.

Mr. SHAFROTH. Let me move an amendment there. After the word "year," in line 4, page 36, I move to insert "including available surplus in the insular treasury."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 36, line 4, after the word "year," it is proposed to insert "including available surplus in the insular treasury."

The amendment to the amendment was agreed to.

The Secretary resumed and concluded the reading of the amendment, as follows:

All appropriations and parts of appropriations for any fiscal year not paid by the revenues of such fiscal year shall not be or become an obligation of Porto Rico or the treasury thereof.

Mr. MARTINE of New Jersey. Now I ask that section 35, beginning on page 36 and running over onto page 37, may go over.

The PRESIDING OFFICER. If the Chair may be permitted, the question is on agreeing to the amendment as amended.

Mr. JONES. Mr. President, that refers to this entire amendment, commencing on page 30 and going to page 36. I wish to ask the chairman of the committee whether or not the committee is unanimously in favor of this amendment?

Mr. VARDAMAN. Mr. President—

Mr. SHAFROTH. Does the Senator mean this entire amendment?

Mr. JONES. Yes.

Mr. SHAFROTH. I do not think there was any objection to it.

Mr. VARDAMAN. Mr. President, I rose to request the chairman of the committee to let this amendment go over. I do not like it. I think when the State issues its obligations and the citizen buys them he ought to be protected. The average man who takes a State warrant does not know whether it is in the first or second class, but he has the right to indulge the presumption that it will be paid. I would rather limit the privilege of the Territory to incur these debts than to permit the citizen to buy them and then be defrauded of his money.

Mr. SHAFROTH. I will state to the Senator that the reason of that provision is this: We had in the State of Colorado no law with respect to the issuance of warrants of the first, second, third, fourth, and fifth class; and the result was that there were warrants issued until they piled up a debt, which was paid during my administration by the issuance of bonds to the extent of \$2,100,000, which the officers had issued according to the order in which the appropriations had been made. The legislature made vast quantities of appropriations in excess of the estimated revenues.

Now, we have found that by following this law, if you make an appropriation in excess of the revenue, it is no obligation whatever, and the auditor and the treasurer are forbidden to do it; and not since that time has there been a single warrant even issued by the various officers of the State of Colorado.

Mr. VARDAMAN. Does not the Senator think it would be better to make it a criminal offense for the legislators and for the fiscal officers of the State to issue these obligations of the State, and thereby protect the citizen who in good faith invests his money in State securities? The average man does not know, when a State warrant is handed to him, whether there is money in the treasury to pay it or not; and if there is not money in the treasury to pay it, if it happens to be one of the third or fourth class, this man is defrauded of his money. It is simply justifying the Territory in repudiating its obligations to which I can not give my consent.

Mr. SHAFROTH. Oh, no. The object and purpose of that is to prevent the issuing of them. The people will understand that warrants of the fourth class will not be paid, and consequently the auditor will not issue them. That is a direction to the auditor not to issue them, and it is a direction to the treasurer not to pay them.

Mr. FALL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. SHAFROTH. I do.

Mr. FALL. The Senator from Washington [Mr. JONES] asked a moment ago if the committee was unanimous in this bill. Not, of course, due to any fault of the Senator who has charge of the bill, but merely my own fault, I, as one member of the committee, was not present when this bill was agreed upon.

Mr. SHAFROTH. That is true; and I am perfectly willing to let this go over.

Mr. VARDAMAN. Let it go over.

Mr. FALL. Let me make this suggestion: We have got to deal with it at some time. You have got to take it up and take the time of the Senate with it at some time.

Mr. SHAFROTH. Yes; but the reason why I want as much done as possible is so as to show that I am pretty well through with the bill, and I want another night for its consideration. If I state that I have only gotten through 10 or 12 pages, they will say, "Oh, you can not get through that bill in a week."

Mr. FALL. That may be all right, Mr. President; but we are proceeding upon a theory that never has been considered in the creation of an organic act for any Territory of the United States. The Senator has written here a constitution for a sovereign State. He has taken the constitution of the sovereign State of Colorado. Why did he not take the organic act of the Territory of Colorado as enacted by the Congress of the United States as an example?

Mr. SHAFROTH. These are limitations that it seems to me are very desirable, and have proven very desirable in my State.

Mr. FALL. Very well; I have the floor, I think, if the Senator will allow me to proceed.

Mr. SHAFROTH. Certainly.

Mr. FALL. Then the Senator can answer the objections which I am making.

You are suggesting to us that we pass one after another of these provisions. You limit the legislature as to what it can do by specifically providing for the island a constitution such as the people of the State of Colorado have provided for them-

selves in their sovereignty. The State of Colorado came in from a Territorial condition by permission of the United States. Prior to that time the people of Colorado had to refer every law that was enacted by the Legislature of Colorado to the Congress of the United States. The people of New Mexico had to do the same thing up until five years ago, until they came into the Union by consent of the Congress. They were not sovereign before that time. In the case of the people of Porto Rico, an island in the Atlantic where you are simply creating a lot of new American citizens, you are making them sovereign—as sovereign as the State of Colorado. The Congress of the United States retains no power to pass upon their acts. Why, sir, there never has been a measure of this kind presented to the Congress of the United States in the creation of a Territory. That is the objection.

Now, look at the absurdity of it. After adopting the constitution of the State of Colorado, with all of its limitations upon the legislative department, then you provide, in section 37:

That the legislative authority herein provided shall extend to all matters of a legislative character.

Without any restriction whatsoever, and still you do not provide that those acts of that legislature shall be referred back to the Congress of the United States for approval or disapproval. Not a State of this Union has ever been admitted which had been created into a Territorial form of government prior to its admission except it had that limitation in its organic act. The Congress of the United States has maintained control. For the first time in the history of legislation in this country we are giving absolute constitutional government to the people of Porto Rico, who have never been citizens of the United States. Now, these objections must be met at some time.

Mr. SHAFROTH. Mr. President, the provisions that are contained here and which are inserted are limitations. They are not grants.

Mr. FALL. Exactly; they are limitations.

Mr. SHAFROTH. Yes, sir.

Mr. FALL. Then you follow it by a general grant, which any court in the world would construe as conferring upon the legislature all other powers of any kind or character, and your limitation is gone.

Mr. SHAFROTH. Oh, no, Mr. President.

Mr. FALL. If you confer general powers and then limit those powers, they may be words of limitations. If you undertake to limit powers and then confer absolute, general powers, where is your limitation?

Mr. SHAFROTH. Why, here is our limitation, on page 28:

If when a bill that has been passed is presented to the governor for his signature he approves the same, he shall sign it; or if not, he shall return it, with his objections, to the house in which it originated, which house shall enter his objections at large on its journal and proceed to reconsider it.

Mr. FALL. That is simply conferring, not limiting.

Mr. SHAFROTH. Wait; that is a limitation.

Mr. FALL. Oh, no; it is simply conferring the legislative power upon your appointed governor.

Mr. SHAFROTH. Yes; I understand; but there is another provision, if the Senator will wait just a minute, which I will show him:

If, after such reconsideration, two-thirds of all the members of that house shall agree to pass the same, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of all the members of that house it shall be sent to the governor, who, in case he shall then not approve, shall transmit the same to the President of the United States. The vote of each house shall be by yeas and nays, and the names of the members voting for and against shall be entered on the journal. If the President of the United States approve the same, he shall sign it and it shall become a law. If he shall not approve same, he shall return it to the governor so stating, and it shall not become a law. If any bill presented to the governor—

And so forth.

Mr. FALL. Then you are conferring upon the Governor of Porto Rico powers that never were conferred upon the governor of any Territory in the history of the United States.

Mr. SHAFROTH. Well, I do not know about that. I know this: I know that the governor is appointed by the President of the United States and confirmed by the Senate.

Mr. FALL. As was the governor of every Territory.

Mr. SHAFROTH. And therefore he does not represent the people of the Territory. Consequently, if there is any attempt upon the part of the legislature to do a thing that in any way is not in accordance with the views of the President, there is the governor to check it; and not only that, but the matter comes on appeal to the President of the United States. So it seems to me that it is very well safeguarded.

Mr. FALL. Mr. President, to repeat again, every organic act—and I defy the Senator to show an exception—has contained

the provision which I have suggested, that the acts of the legislature should be referred to the Congress of the United States.

Mr. SHAFROTH. Well, now—

Mr. FALL. I will ask the Senator to suspend for one moment, please. Every organic act that I know anything of has vested in the governor of the Territory—the governor appointed by the President of the United States—the veto power, and it has been provided that the legislature could pass a bill over his veto. For the first time, now, you have made another innovation. You have provided that the governor, in the event he vetoes a bill, must forward his veto for approval or disapproval to the President of the United States.

Mr. SHAFROTH. Mr. President, the very statement which the Senator makes shows the inconvenience of having every act of the legislature of one of these possessions referred to the Congress of the United States. As chairman of this committee, I have had occasion to have presented to this Congress various bills from the Territory of Hawaii, and some of them have lain for two years without any action of approval whatever; and yet all of the acts of Hawaii do not have to be approved. Some of them do.

Mr. President, the very inconvenience of getting the Senate of the United States to reenact everything that the legislature of Porto Rico will do is something that, it seems to me, should not be the law as to Porto Rico. It appears to me that the limitations that are placed in the bill are limitations for the good of the people.

Mr. FALL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. SHAFROTH. I yield.

Mr. FALL. The chairman does not know anything more about this bill than I do. There is a provision on page 30 that these laws shall be referred to the Congress of the United States, and Congress can nullify them. I did not know it; neither did he.

Mr. SHAFROTH. Of course, Congress could nullify them. There is no doubt about that. It always possesses that power, but—

Mr. FALL. I withdraw my objection.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SHAFROTH. It does not say the law has to be ratified by the Congress. It simply says Congress reserves the right, and it is important that it should reserve the right. What the Senator was talking about was that in the Territorial days everything had to be ratified. Laws do not have to be ratified now.

Mr. FALL. The Senator has been mistaken about one or two things to-night as to the contents of the bill; but the Senator did not make any such mistake as that, because the Senator has been familiar with the organic acts of the other Territories. He did not say they had to be referred for ratification to the Congress of the United States, but that they were referred by the organic act itself to the Congress of the United States. This provision on page 30 is the usual provision in organic acts. I simply overlooked the fact that the committee placed the provision in this bill.

Mr. SHAFROTH. Does the Senator withdraw his objection?

Mr. FALL. I have already withdrawn it.

Mr. SHAFROTH. All right.

Mr. JONES. It might be a small matter, but I wish to ask the chairman about the provision beginning on page 31, line 14, which says:

No bill shall be considered or become a law unless referred to a committee, and returned therefrom, and printed for the use of members.

Does that mean that no bill can be considered that has been referred to a committee until after the committee has reported it?

Mr. SHAFROTH. Yes; it seems to me so.

Mr. JONES. Does it mean that if a committee sees fit to stifle a bill by not reporting it it can do it, that there is no remedy?

Mr. SHAFROTH. I suppose a minority report can be made.

Mr. JONES. It is not a question of supposition. The question is what is meant by that language.

Mr. SHAFROTH. The object of the provision is to prevent the hasty consideration of bills. If the house or the senate are in favor of a measure they can require the committee to report.

Mr. JONES. That is not what I am trying to get at. Can the committee under this language here be discharged?

Mr. SHAFROTH. I suppose so. It seems to me that that can be done.

Mr. JONES. I doubt it very much. I think this gives the power into the hands of a committee to stifle legislation absolutely if it desires to do so.

Mr. SHAFROTH. Has the Senator any amendment to offer?

Mr. JONES. I think we ought to have a provision there providing that either house may, by a majority vote, discharge a committee from the consideration of any measure referred to it.

Mr. SHAFROTH. If the Senator will propose that amendment I will accept it.

Mr. JONES. I propose that amendment. In line 16, after the word "members," I move to insert the following proviso:

*Provided*, That either house may, by a majority vote, discharge a committee from the consideration of a measure and bring it before the body for consideration.

Mr. CLAPP. Would it not be better to have that language inserted after the word "therefrom," in line 15?

No bill shall be considered or become a law unless referred to a committee, returned therefrom, or discharged from further consideration by the committee in which the bill originated, and printed for the use of the members.

Mr. JONES. I rather think it reads better to put it in as a proviso, authorizing either house by a majority vote to discharge a committee from the consideration of a measure.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Washington.

The SECRETARY. On page 31, line 15, after the word "members" and before the period, insert the following proviso:

*Provided*, That either house may by a majority vote discharge a committee from the consideration of a measure and bring it before the body for consideration.

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The Chair hears none.

Mr. JONES. As I understand it, the whole amendment goes over.

Mr. SHAFROTH. And any other amendment to it. We will bring it up later.

The PRESIDING OFFICER. Without objection, then, the amendment proposed by the committee as modified will be agreed to except that part reserved by the Senator from Ohio [Mr. HARDING].

Mr. JONES. I do not understand the Chair.

The PRESIDING OFFICER. The Chair says that, without objection, the amendment proposed and which has been read by the Secretary as modified by the amendments offered is agreed to, except that part reserved by the Senator from Ohio.

Mr. JONES. I do not think that ought to be done, Mr. President. The Senator from Mississippi has suggested some objections to the same, and I think the whole amendment ought to go over.

The PRESIDING OFFICER. Without objection, the whole amendment will go over. The Chair hears none.

Mr. SHAFROTH. Before we reach section 35 I should like to propose an amendment, at page 25, to strike out section 29 and insert in lieu thereof the following.

The PRESIDING OFFICER. It will be read.

The SECRETARY. On page 25, line 16, strike out the House text, section 29, and insert:

SEC. 29. The next election in Porto Rico shall be held in the year 1917 upon the 16th day of July. At such election there shall be chosen senators, representatives, a Resident Commissioner to the United States, and two public-service commissioners, as herein provided. Thereafter the elections shall be held on the first Tuesday after the first Monday in November, beginning with the year 1920, and every four years thereafter, and the terms of office of all municipal officials who have heretofore been elected, and whose terms would otherwise expire at the beginning of the year 1919, are hereby extended until the officials who may be elected to fill such offices in 1920 shall have been duly qualified: *Provided, however*, That nothing herein contained shall be construed to limit the right of the Legislature of Porto Rico at any time to revise the boundaries of senatorial and representative districts and of any municipality, or to abolish any municipality and the officers provided therefor.

Mr. LODGE. That seems to me to be a very important amendment. I have listened to it, but I must say I can not understand what the effect of it will be. I think the amendment ought to be printed and go over, so that we can see it.

The PRESIDING OFFICER. Is there objection?

Mr. SHAFROTH. There is no objection.

The PRESIDING OFFICER. The Chair hears none, and the amendment will go over.

The reading of the bill was continued.

The next amendment was, in section 35, page 36, line 24, after the words "Porto Rico," to strike out "who is not" and insert "unless he is"; on page 37, line 1, after the word "is," to strike out "not"; in the same line, after the word "or," to strike out "who is not" and insert "unless having the said qualification of citizenship and age he is"; and, in line 4, after the words "per annum," to insert "*Provided, however*, That all legally qualified electors of Porto Rico at the last general elec-

tion shall be entitled to register and vote at elections for 10 years from and after the passage of this act," so as to make the section read:

SEC. 35. That the qualified electors of Porto Rico, for any election whatsoever, shall consist of those citizens that will be hereafter registered in accordance with the terms of this act and of the laws of Porto Rico hereafter enacted. That no person shall be allowed to register as a voter or to vote in Porto Rico unless he is a citizen of the United States, over 21 years of age, and who is not able to read and write, or unless, having the said qualification of citizenship and age, he is a bona fide taxpayer in his own name in an amount of not less than \$3 per annum: *Provided, however*, That all legally qualified electors of Porto Rico at the last general election shall be entitled to register and vote at elections for 10 years from and after the passage of this act.

Mr. MARTINE of New Jersey. I ask that section 35 down to and including the words "per annum," in line 4, on page 37, may go over. I think I will propose a substitute for it.

Mr. SHAFROTH. There is no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment and the section goes over.

Mr. SHAFROTH. The committee desires to offer an amendment there, to strike out from lines 8 to 12, inclusive, on page 37, and to insert the following.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 37 strike out lines 8 to 12, inclusive, and insert:

That the qualified electors of Porto Rico shall at the next general election choose a Resident Commissioner to the United States, whose term of office shall begin on his qualification and shall continue until the 4th of March, 1921. At each subsequent election, beginning with the year 1920, the qualified electors of Porto Rico shall choose a Resident Commissioner to the United States, whose term of office shall be four years from the 4th of March following such general election.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. FALL. Right there I suggest to the chairman of the committee that the section preceding section 35 went over, and if this is agreed to you will find yourself in this position: Under the amendment of the Senator from North Dakota the citizens of Porto Rico are given 12 months in which to declare their intentions to remain citizens of Porto Rico and not become citizens of the United States. I can make it for the RECORD, Mr. President, so that the Senator can read it to-morrow, if he can not hear it.

The PRESIDING OFFICER. The Senator from Colorado is being addressed by the Senator from New Mexico.

Mr. FALL. It is all right. The Senator from New Mexico wishes to place his remarks in the RECORD so that they may be read. The position the committee is going to find itself in is this, I am afraid: Under the amendment of the Senator from North Dakota the period in which every resident of Porto Rico has to determine in his own mind whether he will become a citizen of the United States or not has been extended for 12 months. The election provided in this bill must be held prior to 12 months. Yet the qualification for electors states that they shall be citizens of the United States. They will not be citizens of the United States until they have elected as to whether they will remain citizens of some other country. Or if you allow them all to vote and treat them all as citizens of the United States, then they can vote at the election and thereafter declare that they were not citizens of the United States. In the entire bill, unless you reconcile this by some means, you will have a conflict that will cause you a good deal of trouble.

Mr. SHAFROTH. Does the Senator desire that this amendment shall go over?

Mr. FALL. I understood it had gone over. I was just making a suggestion.

Mr. SHAFROTH. No; but as for the last amendment I offered—

Mr. FALL. I was not referring to the last one.

The PRESIDING OFFICER. Section 35 has already been passed over.

Mr. FLETCHER. As I understand the point the Senator from New Mexico makes, there will be 12 months to wait before anybody is qualified to vote.

Mr. FALL. Before we know whether they are qualified or not.

Mr. FLETCHER. Exactly.

Mr. SHAFROTH. The law provides that they shall be qualified citizens of the United States unless within that time they file a protest. Everybody is presumed to be eligible who voted at the preceding election. It is not intended to take away their right.

Mr. FALL. The situation, I think, will be this: That every man in Porto Rico—Chinaman, Jap, Englishman, German, or anyone else—can vote at the first election unless you prohibit his voting in some way.

Mr. SHAFROTH. It is limited to those who have voted at the preceding election.

Mr. FALL. And others. You classify them. You are attempting to make qualified voters citizens of the United States, and properly so. No one but a citizen of the United States should be allowed to vote; but you are providing a 12 months' period in which a man can elect to become a citizen. The consequence is that they might all vote at the first election and thereafter declare that they were not going to become citizens of the United States.

Mr. SHAFROTH. The presumption is that they are citizens and that they have the right of citizenship.

Mr. FALL. I can refer the Senator to a case that went to the Supreme Court of the United States from his own State, and also one that went from my State, in which that presumption was not indulged.

Mr. JONES. I wish to ask the chairman a question about the proviso in section 35. It is true it has gone over. I read it over rather hurriedly. It provides—

That all legally qualified electors of Porto Rico at the last general election shall be entitled to register and vote at elections for 10 years from and after the passage of this act.

What happens to them after 10 years?

Mr. SHAFROTH. I will state that there is an amendment which is going to be proposed either by the Senator from Washington [Mr. POINDEXTER] or by the Senator from New Jersey [Mr. MARTINE] which clarifies that and gives them the right to vote continuously without any limitation whatever. I wanted to defer any consideration of that until that amendment is offered.

Mr. JONES. I did not know that.

Mr. SHAFROTH. I was personally in favor of that amendment, but some members of the committee objected, and we compromised on a 10-year basis. But that will come up when the proposition is presented.

Mr. JONES. Was it the idea of the committee to permit these people to vote for 10 years and after that that they could not vote at all?

Mr. SHAFROTH. No; the provision and the intention was—

Mr. JONES. I mean was that the intention of the proviso?

Mr. SHAFROTH. The only intention was to have an educational qualification, and that they should be permitted to vote for 10 years, in order to give them the opportunity for 10 years to qualify themselves to vote thereafter. That is the object. But I must say that I was not in favor of that except as a compromise. What I was in favor of was a different provision, which is contained in the amendment offered by the Senator from Washington [Mr. POINDEXTER], namely, that they should be entitled to vote just the same as they have been voting, without qualification.

Mr. JONES. That amendment is going to be proposed?

Mr. SHAFROTH. Yes; it is going to come up.

The next amendment was, in section 36, page 38, line 3, before the words "years of age," to strike out "thirty" and insert "twenty-five," so as to make the section read:

SEC. 36. That the qualified electors of Porto Rico shall, at the general election in 1916, and every four years thereafter, choose a Resident Commissioner to the United States, whose term of office shall be four years from the 4th of March following, and who shall be entitled to receive official recognition as such Commissioner by all of the departments of the Government of the United States, upon presentation, through the Department of State, of a certificate of election of the governor of Porto Rico. The Resident Commissioner shall receive a salary, payable monthly by the United States, of \$7,500 per annum. Such Commissioner shall be allowed the same sum for stationery and for the pay of necessary clerk hire as is now allowed to Members of the House of Representatives of the United States; and he shall be allowed the sum of \$500 as mileage for each session of the House of Representatives and the franking privilege granted Members of Congress. No person shall be eligible to election as Resident Commissioner who is not a bona fide citizen of the United States and who is not more than 25 years of age, and who does not read and write the English language. In case of a vacancy in the office of Resident Commissioner by death, resignation, or otherwise, the governor, by and with the advice and consent of the senate, shall appoint a Resident Commissioner to fill the vacancy, who shall serve until the next general election and until his successor is elected and qualified.

The amendment was agreed to.

The next amendment was, in section 37, page 38, line 21, after the word "legislature," to insert: "but the legislature may in the interest of economy consolidate departments, or abolish any department, with the consent of the President of the United States," so as to make the clause read:

No executive department not provided for in this act shall be created by the legislature, but the legislature may in the interest of economy consolidate departments, or abolish any department, with the consent of the President of the United States.

Mr. JONES. I wish to ask about that amendment. First the text provides;

No executive department not provided for in this act shall be created by the legislature.

Then the amendment provides:

but the legislature may in the interest of economy consolidate departments, or abolish any department, with the consent of the President of the United States.

Could Congress annul that?

Mr. SHAFROTH. I believe it could under the general provision there.

Mr. JONES. By an act that has the consent of the President?

Mr. SHAFROTH. I think so, under the general provision that is contained in section 34, page 30, line 2:

All laws enacted by the Legislature of Porto Rico shall be reported to the Congress of the United States, as provided in section 23 of this act, which hereby reserves the power and authority to annul the same.

So evidently any law which they passed under this amendment would be repealable by the Congress of the United States.

Mr. JONES. As I understand this provision, the legislature may consolidate the departments. It is a little different from the other provisions. I judge the President does not have to give his express consent to the general acts of the legislature before they become effective.

Mr. SHAFROTH. No.

Mr. JONES. This provides that the law can not become effective without the consent of the President. It is different from the other provisions. I wanted to know whether if after the President gives his consent Congress can go on without the consent of the President and annul it.

Mr. SHAFROTH. I think so, because the act of Congress receives the consent of the President also in his approval of the annulment which is made.

Mr. JONES. Then, does the act of dissent by Congress require the approval of the President?

Mr. SHAFROTH. I think so.

Mr. JONES. It does not say so.

Mr. SHAFROTH. Congress reserves the power and authority to annul the same. It is by act of Congress.

Mr. JONES. The President is not a part of Congress.

Mr. SHAFROTH. So far as signing the bill he is.

Mr. JONES. This does not provide that it shall be a bill. Congress can in any way express its dissent to these laws, and then they cease to exist.

Mr. SHAFROTH. I think not. The power is reserved to annul the same, and the only way is by a joint resolution or by a bill.

Mr. JONES. I think a concurrent resolution could accomplish the purpose.

Mr. SHAFROTH. I do not think so.

Mr. JONES. That is an act of Congress.

Mr. SHAFROTH. But the President is a part of Congress, with relation to the passage of bills. He must sign the bills.

Mr. JONES. I do not think it would have to be done by a bill.

Mr. CLAPP. It is an affirmative act; but when it comes to a matter of negation, vested in Congress, as this bill provides, it is a question whether the President would have to sign it.

Mr. SHAFROTH (reading)—

All laws enacted by the Legislature of Porto Rico shall be reported to the Congress of the United States, as provided in section 23 of this act, which hereby reserves the power and authority to annul the same.

That is, to annul it by an act or by a joint resolution. I will state the object of the amendment. It was thought they might attempt to abolish some department there that is necessary to proper administration and which the President might feel should be retained. On that account we thought it was a wise provision to make in cases of that kind. They were given the power to abolish departments; but if the President dissents, then that would end it.

Mr. JONES. Mr. President, I am not questioning the wisdom of that, but what I was trying to get at was, after the President has given his consent, as expressly provided for here—and this can not, like general legislation enacted by the legislature, become effective until after the President has approved it—whether the general provision giving Congress the power to annul any act of the Porto Rican Legislature would apply in a case like this, so that Congress could annul the act after the President has given his consent?

Mr. SHAFROTH. Yes; it seems to me that Congress could.

Mr. JONES. Then we would have a conflict between the President and Congress, because the President can approve an act and then Congress can turn around and annul it, and, of

course, if the President should veto that act of Congress it would amount to nothing.

Mr. SHAFROTH. No; Mr. President, as a part of the legislative act the signature of the President is necessary, and it becomes, as a matter of fact, a part of the legislative act.

Mr. JONES. That is what I suggest. Then, in reference to this matter, if the Senator is correct, that the President must sign any resolution that Congress passes dissenting from the act of this legislature, we should have a case where the President, having approved the act of the local legislature, would necessarily disapprove the action of Congress in trying to annul it.

Mr. SHAFROTH. If he disapproves it, that is his privilege under the veto power, and Congress, of course, can pass it over his head. In that event the very act which the President signed is annulled, notwithstanding the fact that he signed the original act and made it a law.

Mr. JONES. Yes; but you have an inconsistent proposition here if you require the President to give his consent or his dissent to this act of the legislature before Congress is supposed to pass on it at all. I do not myself believe that this would require the action of Congress.

Mr. FLETCHER. It seems to me perfectly plain that this provision does not require the President to approve the legislation; but it is simply a limitation on the legislature. The legislature can not abolish a department or consolidate a department unless the President consents. If the President does consent to the legislation, he only consents that the legislature may do the act contemplated in accordance with this provision, but at the same time Congress has the power under the provision to annul that legislation.

Mr. JONES. After the President approves it?

Mr. FLETCHER. After the President has consented, so far as he is concerned, to the legislation consolidating or abolishing departments.

Mr. JONES. That is an approval of it by the President, is it not?

Mr. FLETCHER. It is not left to him to approve the legislation or to disapprove it.

Mr. JONES. Oh, yes, it is.

Mr. FLETCHER. He merely consents to the consolidation or the abolishment of departments.

Mr. JONES. But the legislature may in the interest of economy consolidate departments. How will it do so? By legislation. Or it may abolish any department. How? By legislation, with the consent of the President. It passes such legislation and sends it to the President. If he objects to it, that ends it. If he approves, the consolidation becomes effective; and yet does the Senator contend that after the President has approved it and the consolidation has become effective, we can turn around and annul that?

Mr. FLETCHER. Undoubtedly.

Mr. JONES. If we can, we can do it without the President's consent.

Mr. FLETCHER. Yes; we could do it. If the President's consent was not made necessary here, we could do it just the same whether the President consented or did not consent, or whether we allowed him to consent or not.

Mr. CLAPP. It does not present the inconsistency, I think, which the Senator from Washington thinks it does.

Mr. FLETCHER. I do not think the consent of the President has anything to do with the character of the legislation except to limit the power of the legislature.

Mr. CLAPP. For instance, the Governor of Porto Rico vetoes a bill and then it is passed over his veto. It is then sent to the President, and if he approves it, it becomes a law; yet that does not interfere at all with Congress subsequently repealing that law. The mere fact that the President acting in one capacity has approved an act, I do not think should be urged as an inconsistency, in view of the power lodged in Congress subsequently to repeal it.

Mr. JONES. Does the Senator think that after the President has approved a law that has been vetoed by the governor and which has been passed over his veto, Congress could not annul that law without the President's consent?

Mr. CLAPP. I am not certain whether under this provision a mere annulment would require consent or not; but, even if it did, it would not present any serious inconsistency. The President to-day signs a bill, and to-morrow we repeal it, notwithstanding he has signed it.

Mr. JONES. But he has to sign the repealing act also.

Mr. CLAPP. I know he signs the repealing act; but the Senator from Washington was rather urging that it would be inconsistent to expect that the President would approve of legislation enacted in Porto Rico and then afterwards sign a re-

peal of that same law. I do not see anything inconsistent in that.

Mr. JONES. That was not my position at all.

Mr. CLAPP. That is what I understood the Senator to contend for.

Mr. JONES. My position was that under the general provisions of this act we provide that laws passed by the legislature may be annulled by Congress. It does not provide for their approval by the President before they become laws; they become laws without the President's approval, and they continue laws unless Congress annuls them; but here is a particular provision with reference to a particular class of legislation under which, if the legislature by its legislative act sees fit to consolidate departments, that act does not become effective until the President consents to it; in other words, until the President approves it. The question which came up in my mind was whether under this particular section Congress would have the right to annul an act consolidating departments after it had been approved by the President.

Mr. CLAPP. I do not think that that would interfere at all with the right of Congress to annul that law. It becomes a law not alone by the act of the legislature and the Governor of Porto Rico, but also by the act of the President, just as a law passed by the Legislature of Porto Rico and vetoed by the Governor of Porto Rico and passed over his veto and referred to the President and approved by the President becomes a law. Clearly Congress could just as readily repeal that act that had become a law through the exercise of the veto power and the subsequent approval by the President as it could repeal a law that went no further than the Legislature and the Governor of Porto Rico. So I do not think there could be any question about that.

Mr. SHAFROTH. Mr. President, I ask that the reading of the bill be resumed.

The reading of the bill was resumed and continued to the following provision on page 39, beginning in line 7:

The terms of said elected commissioners shall commence on the 1st of January following their election—

Mr. SHAFROTH. Mr. President, on page 39 I move to strike out from line 5 to line 8, inclusive, and to insert in lieu thereof the amendment I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 39 it is proposed to strike out lines 5 to 8, inclusive, and insert:

to be elected by the qualified voters at the first general election to be held under this act and at each subsequent general election thereafter. The terms of said elective commissioners elected at the first general election shall commence on the twenty-eighth day following the said general election, and the terms of the said elective commissioners elected at each subsequent general election shall commence on the 2d day of January following their election.

The PRESIDING OFFICER. The amendment is agreed to, without objection.

Mr. SMOOT. Mr. President, it was hard to follow the amendment suggested, as it was read so rapidly. I tried to follow it, but I could not possibly make out what object the amendment intended to accomplish.

Mr. SHAFROTH. I will tell the Senator the object of the amendment. This bill was reported in July last; it was expected that it would be passed shortly thereafter, and that elections would be held at a certain time following the passage of the bill. Inasmuch, however, as the bill has gone over until this time, it is necessary to adjust these matters so that the term of office of these commissioners will expire at a certain time. That is the object of the amendment.

Mr. SMOOT. I did not catch the meaning of it from the reading.

Mr. VARDAMAN. Let the Secretary state the amendment again, and read it more slowly.

Mr. SMOOT. I did not catch the meaning of it from the reading, and if the Secretary will read it more slowly, then I can follow and see just what changes in the bill are proposed.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The SECRETARY. On page 39 it is proposed to strike out lines 5 to 8, inclusive.

Mr. SMOOT. That is, down to the word "election," in line 8, is it not?

The PRESIDING OFFICER. It includes the word "and" in line 8.

Mr. SHAFROTH. The word "and" is also stricken out.

The SECRETARY. On page 39, after line 4, it is proposed to strike out "to be elected by the qualified voters at the first general election to be held under this act and quadrennially thereafter. The terms of said elective commissioners shall commence on the 1st of January following their election, and," and

insert "to be elected by the qualified voters at the first general election to be held under this act, and at each subsequent general election thereafter."

Mr. SMOOT. "And at each subsequent general election thereafter?"

The Secretary read as follows:

And at each subsequent general election thereafter.

Mr. SMOOT. Does that mean quadrennially?

Mr. SHAFROTH. It was intended to have this election in July, which would be shortly after the bill was reported, and then the terms of all officers would expire, I think, in January following the election, in which case it would have been proper to have described it as being quadrennially; but instead of that, it now being nearly the 1st of February and the bill not having yet been passed, the election can not be held until next July, and so it is necessary to make the first terms less than four years. That is the purpose and object of this amendment.

Mr. SMOOT. That is the general election provided for by this amendment?

Mr. SHAFROTH. Yes.

Mr. SMOOT. I will ask the Secretary to state the rest of the amendment.

The Secretary read as follows:

The terms of said elective commissioners elected at the first general election shall commence on the twenty-eighth day following the said general election.

Mr. SMOOT. The twenty-eighth day?

Mr. SHAFROTH. That is, four weeks afterwards.

The Secretary resumed the reading of the amendment, and read as follows:

shall commence on the twenty-eighth day following the said election, and the terms of the said elective commissioners elected at each subsequent general election shall commence on the 2d day of January following their election.

Mr. SHAFROTH. And thereafter there will be a four years' term. The provision is necessary.

Mr. SMOOT. It may be all right, Mr. President, but I can not couple it up with the provision in the bill which it is proposed to strike out.

While I am on my feet I should like to ask the Senator if it would not be a good thing when we conclude to-night to have the bill reprinted with all the amendments which have been adopted, for there are very many of them?

Mr. SHAFROTH. I think it would be; but let us first finish the reading of the bill. It can be done inside of 20 minutes.

Mr. SMOOT. Perhaps so.

Mr. SHAFROTH. I think so.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Colorado is agreed to.

The reading of the bill was resumed, and the Secretary proceeded to read section 39.

Mr. BROUSSARD. Mr. President, I will ask the Senator from Colorado if he will not pass over section 39 at this time, because I have an amendment to that section which I desire to offer.

Mr. SHAFROTH. Very well; that is satisfactory.

Mr. FALL. I should like section 38 also to be passed over.

Mr. SHAFROTH. Very well; that is satisfactory.

The PRESIDING OFFICER. Without objection, sections 38 and 39 will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on the Pacific Islands and Porto Rico was, in section 40, page 41, line 4, after the word "repealed," to insert:

*Provided*, That said head tax shall not apply to residents of Porto Rico coming and going either for business or social purposes.

So as to make the section read:

Sec. 40. That the exemption of aliens arriving in Porto Rico from the payment of the head tax provided by section 1 of the act of Congress of February 20, 1907, is hereby repealed: *Provided*, That said head tax shall not apply to residents of Porto Rico coming and going either for business or social purposes.

The amendment was agreed to.

The next amendment was, on page 41, line 7, to insert as a subhead "Judicial department."

The amendment was agreed to.

The next amendment was, in section 41, page 41, line 16, after the word "Senate," to insert "of the United States," so as to make the section read:

Sec. 41. That the judicial power shall be vested in the courts and tribunals of Porto Rico now established and in operation under and by virtue of existing laws. The jurisdiction of said courts and the form of procedure in them, and the various officers and attachés thereof, shall also continue to be as now provided until otherwise provided by law: *Provided, however*, That the chief justice and associate justices of the supreme court shall be appointed by the President, by and with the advice and consent of the Senate of the United States, and the Legislature of Porto Rico shall have authority, from time to time as

it may see fit, not inconsistent with this act, to organize, modify, or rearrange the courts and their jurisdiction and procedure, except the District Court of the United States for Porto Rico.

The amendment was agreed to.

The next amendment was in section 42, page 42, line 20, after the words "United States," to strike out "*Provided, however*, That no person who declares his intention not to become a citizen of the United States in accordance with the provisions of section 5 of this act may thereafter be naturalized"; on page 43, line 2, after the words "United States," to strike out "not domiciled in Porto Rico"; and in line 4, after the words "value of," to strike out "\$3,000" and insert "\$2,000," so as to read:

Sec. 42. That Porto Rico shall constitute a judicial district to be called "the district of Porto Rico." The President, by and with the advice and consent of the Senate, shall appoint one district judge, who shall serve for a term of four years and until his successor is appointed and qualified and whose salary shall be \$5,000 per annum. There shall be appointed in like manner a district attorney, whose salary shall be \$4,000 per annum, and a marshal for said district, whose salary shall be \$3,500 per annum, each for a term of four years unless sooner removed by the President. The district court for said district shall be called "the District Court of the United States for Porto Rico," and shall have power to appoint all necessary officials and assistants, including the clerk, interpreter, and such commissioners as may be necessary, who shall be entitled to the same fees and have like powers and duties as are exercised and performed by United States commissioners. Such district court shall have jurisdiction of all cases cognizable in the district courts of the United States, and shall proceed in the same manner. In addition said district court shall have jurisdiction for the naturalization of aliens, and for this purpose residence in Porto Rico shall be counted in the same manner as residence elsewhere in the United States. Said district court shall have jurisdiction of all controversies where all of the parties on either side of the controversy are citizens or subjects of a foreign State or States, or citizens of a State, Territory, or District of the United States, wherein the matter in dispute exceeds, exclusive of interest or cost, the sum or value of \$2,000, and of all controversies in which there is a separable controversy involving such jurisdictional amount and in which all of the parties on either side of such separable controversy are citizens or subjects of the character aforesaid.

The amendment was agreed to.

The next amendment was, in section 44, page 45, line 3, after the words "prosecuted to," to insert "the Circuit Court of Appeals for the First Circuit and to," in line 5, after the words "United States," to insert "as now provided by law," and in the same line, after the word "law," to strike out "in any case wherein is involved the validity of any copyright, or in which is drawn in question the validity of a treaty or statute of, or authority exercised under, the United States, or wherein the Constitution of the United States, or a treaty thereof, or an act of Congress is brought in question and the right claimed thereunder is denied, without regard to the sum or value of the matter in dispute, and in all other cases in which the sum or value of the matter in dispute, exclusive of costs, to be ascertained by the oath of either party or of other competent witnesses, exceeds the sum or value of \$5,000. Such writs of error and appeals shall be taken within the same time, in the same manner, and under the same regulations as writs of error and appeals are taken to the Supreme Court of the United States from the district courts," so as to make the section read:

Sec. 44. That writs of error and appeals from the final judgments and decrees of the Supreme Court of Porto Rico may be taken and prosecuted to the Circuit Court of Appeals for the First Circuit and to the Supreme Court of the United States, as now provided by law.

The amendment was agreed to.

The next amendment was, in section 45, page 46, line 5, after the word "selected," to strike out "and" and insert a comma, and in the same line, after the word "drawn," to insert "and subject to exemption," so as to make the section read:

Sec. 45. That the qualifications of jurors as fixed by the local laws of Porto Rico shall not apply to jurors selected to serve in the District Court of the United States for Porto Rico; but the qualifications required of jurors in said court shall be that each shall be of the age of not less than 21 years and not over 65 years, a resident of Porto Rico for not less than one year, and have a sufficient knowledge of the English language to enable him to serve as a juror; they shall also be citizens of the United States. Juries for the said court shall be selected, drawn, and subject to exemption in accordance with the laws of Congress regulating the same in the United States courts in so far as locally applicable.

The amendment was agreed to.

The next amendment was, in section 46, page 46, line 14, after the words "Porto Rico," to insert:

*Provided*, That \$500 a year from such fees, fines, costs, and forfeitures shall be retained by the clerk and expended for law-library purposes under the direction of the judge.

So as to make the section read:

Sec. 46. That all such fees, fines, costs, and forfeitures as would be deposited to the credit of the United States if collected and paid into a district court of the United States shall become revenues of the United States when collected and paid into the District Court of the United States for Porto Rico: *Provided*, That \$500 a year from such fees, fines, costs, and forfeitures shall be retained by the clerk and expended for law-library purposes under the direction of the judge.

The amendment was agreed to.

The next amendment was, on page 47, line 24, to insert as a subhead, "Miscellaneous provisions."

The amendment was agreed to.

The next amendment was, in section 51, page 48, line 14, after the word "governor," to strike out "\$10,000" and insert "\$8,000," so as to make the section read:

SEC. 51. That, except as in this act otherwise provided, the salaries of all the officials of Porto Rico not appointed by the President, including deputies, assistants, and other help, shall be such and be so paid out of the revenues of Porto Rico as shall from time to time be determined by the Legislature of Porto Rico and approved by the governor; and if the legislature shall fail to make an appropriation for such salaries, the salaries theretofore fixed shall be paid without the necessity of further appropriations therefor. The salaries of all officers and all expenses of the offices of the various officials of Porto Rico appointed as herein provided by the President shall also be paid out of the revenues of Porto Rico on warrant of the auditor, countersigned by the governor. The annual salaries of the following-named officials appointed by the President and so to be paid shall be: The governor, \$8,000, in addition thereto he shall be entitled to the occupancy of the buildings heretofore used by the chief executive of Porto Rico, with the furniture and effects therein, free of rental; heads of executive departments, \$5,000; chief justice of the supreme court, \$6,500; associate justices of the supreme court, \$5,500 each.

Mr. SMOOT. Mr. President, I will ask the Senator why the Governor of Porto Rico should be paid \$1,000 more than the Governor of Hawaii or the Governor of Alaska?

Mr. SHAFROTH. Mr. President, I will say that the organic act made the salary of the governor \$8,000, and it has been \$8,000 ever since. The House put the provision at \$10,000 and the Senate Committee on Pacific Islands and Porto Rico struck out \$10,000 and inserted \$8,000.

Mr. SMOOT. Even if that were the case, we could provide now for the salary that the governors should receive hereafter.

Mr. SHAFROTH. Certainly.

Mr. SMOOT. I will tell the Senator why I asked the question. I know that for the last four years the Governor of the Hawaiian Islands has asked for an increase, and it has been proposed many times that the Governor of Alaska should be paid a greater salary than is paid in Hawaii because of the extremely high cost of living in that country. You not only pay the governor \$8,000 here, but you provide that "in addition thereto he shall be entitled to the occupancy of the buildings heretofore used by the chief executive of Porto Rico, with the furniture and effects therein, free of rental." Now, that is not fair to the Governors of Hawaii and Alaska.

Mr. SHAFROTH. Oh, Mr. President, there is a difference between these possessions. Porto Rico has a population of 1,250,000.

Mr. SMOOT. Yes.

Mr. SHAFROTH. The Hawaiian Islands have a population of only about 250,000.

Mr. SMOOT. Yes.

Mr. SHAFROTH. This palace that is given to the Governor of Porto Rico, it is true, is a large building—I have been in it—but it is necessary for the governor to have a sufficient salary to maintain himself. There are certain expenses there that he has to take care of, and we thought that to leave it just as it has been would be best. So we struck out \$10,000, which the House provided, and inserted \$8,000, the same that he has been getting ever since the islands came into the possession of the United States.

Mr. SMOOT. The Senator knows that the Governor of the Hawaiian Islands perhaps has more entertaining to do than the Governor of Porto Rico has. The Senator has been there, and he knows that the Governor of Hawaii is under the expense of maintaining a home—not only the running expenses of it, but he has to pay the rent of it, unless a particularly dear friend of his may allow him, part of the time, to live in his home, which I know has been the case. This is quite unfair, I think. I do not want to ask for a yea-and-nay vote on this, so I will ask the Senator to let it go over to-night.

Mr. SHAFROTH. Certainly.

Mr. SMOOT. Because I do want a record vote upon this proposition.

Mr. SHAFROTH. Very well.

Mr. SMOOT. While asking that, I want to ask also to have the balance of the paragraph go over, because you provide here that the chief justice of the supreme court shall receive \$6,500, and you also provide that the associate justices of the supreme court shall receive \$5,500 each. Now, the chief justice of the Supreme Court of Hawaii receives \$6,000 and the associate justices of the Supreme Court of Hawaii receive \$5,500, just the same as is provided in this bill for the associate justices of Porto Rico. There is an inconsistency in that, and it ought to be corrected, because the Senator knows that in the very next appropriation bill that will be passed the salaries provided here will not be asked to be reduced, but the salaries that are paid to the chief justices of Hawaii and Alaska will be asked to be increased. So I ask that this may go over.

Mr. SHAFROTH. I join in the request that the whole paragraph may go over.

The PRESIDING OFFICER. Without objection, the section will be passed over. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment was, in section 55, page 50, line 3, after the word "public," to strike out "Provided, That the certificate by such notary shall be accompanied by the certificate of the executive secretary of Porto Rico to the effect that the notary taking such acknowledgment is in fact such notarial officer."

So as to make the section read:

SEC. 55. That deeds and other instruments affecting land situate in the District of Columbia, or any other Territory or possession of the United States, may be acknowledged in Porto Rico before any notary public appointed therein by proper authority, or any officer therein who has ex officio the powers of a notary public.

The amendment was agreed to.

The next amendment was, in section 57, page 51, line 4, after the word "constituted," to insert: "Provided, however, That all appointments made by the governor, by and with the advice and consent of the executive council as thus constituted, in the executive council as authorized by section 13 of this act, or in the office of executive secretary of Porto Rico, shall be regarded as temporary and shall expire not later than 20 days from and after the assembly and organization of the legislature hereinbefore provided, unless said appointments shall be ratified and made permanent by the said Senate of Porto Rico."

So as to make the section read:

SEC. 57. That this act shall take effect upon approval, but until its provisions shall severally become operative, as hereinbefore provided, the corresponding legislative and executive functions of the government in Porto Rico shall continue to be exercised and in full force and operation as now provided by law; and the executive council shall, until the assembly and organization of the Legislature of Porto Rico as herein provided, consist of the attorney general, the treasurer, the commissioner of the interior, the commissioner of education, the commissioner of health, and the commissioner of agriculture and labor, and the five additional members as now provided by law. And any functions assigned to the Senate of Porto Rico by the provisions of this act shall, until this said senate has assembled and organized as herein provided, be exercised by the executive council as thus constituted: *Provided, however,* That all appointments made by the governor, by and with the advice and consent of the executive council as thus constituted, in the executive council as authorized by section 13 of this act, or in the office of executive secretary of Porto Rico, shall be regarded as temporary and shall expire not later than 20 days from and after the assembly and organization of the legislature hereinbefore provided, unless said appointments shall be ratified and made permanent by the said Senate of Porto Rico.

The amendment was agreed to.

The reading of the bill was concluded.

Mr. SMOOT. Mr. President, I now ask that the bill be printed with the amendments that have already been agreed to by the Senate.

Mr. SHAFROTH. I think that will be very confusing. I do not believe we will gain much by it, because so many of the provisions have been passed over.

Mr. SMOOT. A number of amendments have been offered from the floor and agreed to; and I will ask that the amendments that have been agreed to may be printed in small capitals, so as to show the difference between those and the ones that have not been agreed to. Does the Senator think that when we begin to vote upon the bill the Senators who have not been here to-night, not having heard the amendments offered, will know anything about what the bill contains?

Mr. SHAFROTH. Of course, the RECORD will contain it all.

Mr. SMOOT. The Senator knows, however, that Senators do not always have time to read all of the RECORD.

Mr. SHAFROTH. I want to expedite matters in every way I can. If the Senator thinks any additional information would be given by what he proposes, I have no objection.

Mr. SMOOT. I certainly think it would, or else I would not ask it.

Mr. SHAFROTH. Very well. I have no objection to it.

The PRESIDING OFFICER. What is the request of the Senator?

Mr. SMOOT. This is what I desire done: In the case of all the amendments that have been offered on the floor of the Senate to-night and agreed to, I should like to have them printed in small capitals, the amendments still pending being printed in italics, and a reprint of the bill as amended. The amendments agreed to can be printed in small capitals, and then they would not interfere with the amendments that are now pending, which will be printed in italics.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The order was reduced to writing and agreed to, as follows:

*Ordered,* That H. R. 9533 be printed showing the bill as amended in small capitals and stricken-through type, the amendments pending in italics, and the paragraphs passed over in brackets.

Mr. VARDAMAN. Mr. President, I suggest to the Senator that we meet to-morrow night and finish this bill.

Mr. SMOOT. We can not agree to that to-night, Mr. President. That matter can be taken up to-morrow in the morning hour.

Mr. SHAFROTH. I will state that that is one of the reasons why I did not want a reprint, because I do not believe it can be done to-night.

Mr. SMOOT. Oh, yes. I will assure the Senator that it can be done just the same as the printing of any other matter.

#### WATER-POWER DEVELOPMENT.

Mr. SHAFROTH. I ask that the unfinished business, House bill 408, be laid before the Senate.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 408) to provide for the development of water power and the use of public lands in relation thereto, and for other purposes.

Mr. SHAFROTH. I move that the Senate adjourn.

The motion was agreed to; and (at 10 o'clock and 50 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, January 31, 1917, at 11 o'clock a. m.

#### CONFIRMATIONS.

*Executive nominations confirmed by the Senate January 30, 1917.*

##### POSTMASTERS.

###### ALABAMA.

Gordon T. Dannelly, Camden.

###### ARIZONA.

John Evans, Duncan.

###### CALIFORNIA.

Lucius R. Barrow, San Diego.  
William D. Browning, Strathmore.  
William E. Hunt, Kelseyville.  
C. Claire Smale, Raymond.

###### COLORADO.

Laura E. Wible, Deertrail.

###### CONNECTICUT.

William O. Burr, Fairfield.  
John S. Champlin, South Coventry.

###### INDIANA.

George M. Mount, Crothersville.

###### IOWA.

John T. Carey, Denison.  
John P. Fischbach, Granville.  
E. F. Gauss, Shenandoah.  
Frank L. Wacholz, Forest City.

###### MARYLAND.

William W. Hopkins, Bel Air.  
J. Frank Lednum, Preston.  
George E. Peeling, Asbestos.

###### MASSACHUSETTS.

Anna E. C. Barrett, Siasconset.  
Robert H. Lawrence, South Dartmouth.  
Walter B. Loring, Holden.  
Charles F. Skillings, Hathorne.  
Matthew D. E. Tower, Becket.

###### MISSOURI.

Walter E. Duncan, Newburg.  
Oberon C. Meadows, Licking.

###### MONTANA.

Peter Des Rosier, Browning.  
Earl A. Wheeler, Gilman.

###### NEW HAMPSHIRE.

Frank J. Aldrich, Pike.  
Earle A. Brooks, Franconia.

###### NORTH CAROLINA.

Fuller T. Currie, Pinehurst.

###### OHIO.

Mary June Dick, Harrison.  
Samuel Eichenbaum, Corning.

###### TENNESSEE.

K. W. Southern, Harrogate.

## HOUSE OF REPRESENTATIVES.

TUESDAY, January 30, 1917.

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We thank Thee, our Father in Heaven, that though men come and go, Thy Spirit lives on in the heart of each succeeding generation, bringing order out of chaos, harmony out of discord, peace out of war, good out of evil. For faith is stronger than doubt, hope than despair, love than hate. Make us, we pray Thee, tractable to the Spirit, that we may be led into the higher and purer realm of thought and action in the common daily duties of life; which in the last analysis is the test of a well-developed character for which we hope and aspire and pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed without amendment bill of the following title:

H. R. 20209. An act to amend section 276 of an act entitled "An act to codify, revise, and amend the laws relating to the Judiciary," approved March 3, 1911.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 7924. An act authorizing the county of Beltrami, Minn., to construct a bridge across the Mississippi River in said county;

S. 6133. An act authorizing the Secretary of War to grant to John D. Sherwood, of Spokane, Wash., the right to overflow certain lands on the Fort George Wright Military Reservation at Spokane, Wash., and to accept the conveyance to the United States of other lands to be designated by the Secretary of War and suitable for a rifle range in exchange for the land so overflowed; and

S. 7910. An act authorizing the city of Bemidji, Minn., to construct a bridge across the Mississippi River at or near that place.

The message also announced that the Vice President had appointed Mr. JONES and Mr. MARTINE of New Jersey members of joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Labor.

#### SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 6133. An act authorizing the Secretary of War to grant to John D. Sherwood, of Spokane, Wash., the right to overflow certain lands on the Fort George Wright Military Reservation at Spokane, Wash., and to accept the conveyance to the United States of other lands to be designated by the Secretary of War and suitable for a rifle range in exchange for the land so overflowed; to the Committee on Military Affairs.

#### REVENUE BILL.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes. Pending that motion I would like to see if we can not come to some understanding in respect to general debate upon the bill. If it would be satisfactory to the gentleman from Michigan [Mr. FORDNEY], I suggest that we run along with general debate without fixing any definite time, with the hope that by, say, 2 o'clock to-morrow we can finish the general debate; and if not, we can then let it run along an hour longer, until 3 o'clock.

Mr. FORDNEY. Mr. Speaker, I think we need more time than that for general debate. I suggest that the gentleman let it run along until to-morrow at some late hour—say, 3 or 4 o'clock.

Mr. KITCHIN. That would be satisfactory to me.

Mr. FORDNEY. I have requests for at least six or seven hours upon this side of the House.

Mr. KITCHIN. The bill is a short one—only 12 pages long—and I would like to finish it to-morrow night.

Mr. FORDNEY. Will it be agreeable to run along with general debate until 4 o'clock to-morrow?

Mr. KITCHIN. Let us say 3 o'clock; and then, if we do not finish it, we can extend it for an hour longer.

Mr. MANN. Mr. Speaker, the gentleman says that he would like to finish the bill to-morrow night—I presume he would like to finish it to-night. For the convenience of Members, is it the intention of the gentleman to ask the House to sit late to-morrow night to finish the bill or will we adjourn at 6 or 7 o'clock?

Mr. KITCHIN. I hope that we will not stay later than 7 o'clock. I think we can finish the reading of the bill, and then perhaps take the vote on the next morning.

Mr. MANN. I suggest to the gentleman that he make a request that the time for general debate be equally divided between himself and the gentleman from Michigan.

Mr. KITCHIN. Mr. Speaker, pending my motion to go into Committee of the Whole House on the state of the Union, I ask unanimous consent that the time for general debate be equally divided between myself and the gentleman from Michigan [Mr. FORDNEY].

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the time for general debate be equally divided between himself and the gentleman from Michigan. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from North Carolina that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 20573.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the revenue bill, with Mr. SHERLEY in the chair.

The Clerk reported the bill by title.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to dispense with the first reading of the bill. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, my purpose is, if not interrupted too much, to consume about 20 minutes in explanation of the bill and then reserve some time for myself in which to close the debate.

I have often thought what a great genius a man would be if he could find some way to write a revenue bill entirely satisfactory to the people who would have to pay the tax under it. I have thought of every conceivable way for the last eight or ten years in which such a bill could be written, but I am just as far off from the discovery now as I was when I began. Of course every tax bill, it matters not how large, how small the tax, will meet with severe and violent opposition from the man who will have to pay the tax under it.

We all realize the necessity for an additional revenue measure. That necessity has been created by the votes of the Republicans as well as the Democrats. I said, when I presented the bill at the last session, that if it had not been for the increase in the appropriations for the Army and the Navy and fortifications not a dollar of new taxes would have to be levied. I say now in respect to this bill that if there had not been any increase except the normal increase in appropriations for the Army, Navy, and fortifications last session and this session this bill would not be necessary. Every dollar of new taxes levied in the act of the last session and in this bill is made necessary by the votes of Democrats and Republicans alike for the marvelous increase of appropriations in the Army, the Navy, and the fortification acts, which the advocates of those increases euphoniouly call "preparedness." The responsibility can not be put by either side upon the other. Democrats and Republicans alike are responsible for the necessity for additional revenue legislation. Whether the additional legislation which the Republicans propose or which the Democrats present to the House is the wiser or better I shall discuss later.

The estimates by the Treasury Department of disbursements for the ensuing fiscal year ending June 30, 1918, for which we are appropriating this session, are \$1,368,445,000.

The total amount of revenue from all sources, exclusive of the post office, including the big receipts from the revenue act of last session, is estimated for the next fiscal year to be \$1,001,750,000. This makes a difference of \$366,695,000, being the estimated excess of disbursements over receipts. If we deduct from that \$64,305,000, which is estimated to be in the general balance fund on June 30, 1917, we have \$302,390,000. Now, we should add to that \$100,000,000 in order to have a safe, wise,

working balance in the Treasury. It ought to be at least that much. This has been the opinion of the last several administrations. Sometimes it falls below that. It fell below that at times under the Roosevelt administration and at times under the Taft administration. It is less than that now. As stated, we ought to provide for at least \$100,000,000 as a general working-fund balance. Adding that, we have \$402,390,000, which we must meet either by proceeds of bonds or by additional revenue legislation, or both. We propose and recommend the issue of bonds, which I will explain later on in detail, to finance and reimburse the Treasury for expenditures on account of the Mexican situation, the construction of the Alaskan Railway, the armor-plate plant, and the purchase of the Danish West Indies. I think it was all agreed and understood by Republicans and Democrats alike when we presented the revenue bill last session, that we would finance the Mexican situation expenditures by the issue of bonds. It has been the custom of not only this Nation but of all nations to defray such expenditures by bonds, because it is impossible to anticipate by revenue legislation how much will be required or how little. We did not know when we presented the revenue bill of last session whether the present situation or the then situation would exist 2 months, 5 months, or 12 months, and we could not know whether it would cost \$125,000,000, \$200,000,000, or what. So we did not provide in the revenue act for such expenditure.

Last session the Treasury Department estimated it would only cost about \$125,000,000. We did not expect to remain on the border so long, nor do we know now how much longer our troops, or some of them, will have to remain. The department now estimates that the total expenditures for the border trouble will by June 30, 1917, reach \$162,418,000. It is estimated by the department that by the end of the fiscal year 1918—June 30, 1918—the expenditures on account of the Alaskan Railway will amount to \$21,838,000. The armor-plate plant, authorized by last session's naval appropriation act, will cost \$11,000,000. For these expenditures the Treasury will be reimbursed by the proceeds of bonds. They total \$195,256,000. Deducting this from the \$402,390,000 will leave \$207,000,000 which is absolutely necessary to meet by additional revenue legislation. Now, gentlemen, we present a bill for the consideration of the Congress, which from some quarters will have more opposition, receive more protests and denunciation than any bill we could present, and yet, in the opinion of the majority of the members of the Committee on Ways and Means, it is the wisest and the most equitable and least burdensome bill that has yet been suggested. I shall first take up for explanation the portion of the bill over which there are the least contentions. We propose, in addition to the present authorization of Panama Canal bonds, to authorize the Secretary of the Treasury to issue \$100,000,000 of bonds.

The amount of Panama Canal bonds now available for issue is \$222,000,000. This with the additional \$100,000,000 authorized by the pending bill will make a total authorization of \$322,000,000. The authorization in this bill becomes necessary in order to finance by the proceeds of bonds the following: \$162,418,000, Mexican situation expenditures; \$35,000,000, the total authorized cost of the Alaska Railway; \$25,000,000 for the purchase of the Danish West Indies; \$11,000,000 for the armor-plate plant; \$50,000,000 for the requirements of the shipping act of last session, authorized by the act to be provided for by sale of Panama Canal bonds; and \$20,000,000 for the nitrate plant, which also was authorized last session to be taken care of by the issue of bonds. This gives a total of \$303,418,000. The available amount of Panama Canal bonds, \$222,000,000, lacks \$81,000,000 of being enough to finance these specific objects to which I have alluded, and therefore this bill provides for an additional issue of bonds, not to exceed in the aggregate \$100,000,000.

In another section of the bill the Secretary of the Treasury is authorized to issue, instead of the \$200,000,000 now provided by law, \$300,000,000 of certificates of indebtedness. Under the present law, which is an unrevoked part of the Payne Act, the Secretary of the Treasury is authorized to issue \$200,000,000 of certificates of indebtedness, drawing 3 per cent interest, running not longer than one year, but the total amount of such outstanding certificates of indebtedness at any one time not to exceed \$200,000,000. This was incorporated in the Payne Act in order to take care of any temporary deficit during a current fiscal year and is still the law. We increase that \$100,000,000, and instead of the \$200,000,000 now authorized, if this bill is enacted into law, the Secretary will be authorized to issue \$300,000,000. The reason for this is that income taxes and the excess-profit taxes provided for in this bill will all come into the Treasury practically during the months of May and June in a lump sum and not be spread proportionately over the year, like indirect

taxes or like the internal revenue from beer, whisky, and tobacco.

And so from about January until May and June, without such an issue of certificates, there would be a hiatus in collection of a large portion of the taxes, or a deficit amounting sometimes much over \$200,000,000. When the amount of income and excess-profit taxes is collected in May and June these certificates of indebtedness issued to supply this hiatus or deficit will be paid off.

The two taxing features of the bill are an increase in the estate tax and a tax on excess profits. In regard to the estate tax we simply increase the present rates 50 per cent. So the estate tax is exactly like it is in the present law, except that we increase each of the rates 50 per cent. In other words, where an estate now pays 1 per cent it will pay  $1\frac{1}{2}$  per cent; if it pays 2 per cent, it will pay 3 per cent, and so forth, all the way up.

Before discussing the excess-profits tax let me call attention to the first provision of the bill—that is, Title I:

This title provides that the receipts from the excess-profits tax and one-third of the receipts from the estate tax provided in this bill, together with \$175,000,000, the additional revenue collected from the taxes levied in the revenue act of September 8, 1916, shall be set aside as a special preparedness fund to be used toward defraying the expenses for the Army and Navy and fortifications. It is provided, however, that should there be no other money available in the Treasury to meet current obligations that the Secretary of the Treasury may use this fund for other purposes, but like sums so disbursed must be returned to this fund.

We made this provision that everyone in this country will know, and especially everyone who will pay a tax under this bill will know, that every dollar of it goes for increased appropriations for the Army and Navy and fortifications.

Mr. SWITZER. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. SWITZER. As to the excess-profit tax, I would like to have an explanation as to whether a corporation would be allowed to exempt 8 per cent of its capital in addition to the \$5,000 referred to in the majority report.

Mr. KITCHIN. If the gentleman will wait a moment, I am going to reach that.

Every gentleman here knows that the tax measure last session and this tax measure are necessary because of the increased appropriations for the Army and Navy and fortifications. We set aside by the terms of Title I the taxes collected under this bill, with the earmarks of increased preparedness appropriations upon them, into a separate fund to be expended only for Army and Navy and fortification purposes. And we take \$175,000,000, annually collected under the last year's tax bill and add to that fund. We estimate that \$175,000,000 is the amount of additional revenue which that bill, made necessary by increases of appropriations for preparedness, raised over the revenues produced under the then existing law. And yet, in addition to such separate fund, on account of the immense appropriations for the Army and Navy and fortifications, we will have to take annually more than \$300,000,000 from the general fund to help defray such appropriations.

Now, as to the excess-profit tax. In the first place let me say that this excess-profit tax will in a large measure be paid by partnerships whose members and by corporations whose officers and directors, Democrats and Republicans, in every section of the country were loud clamorists for "preparedness;" who peremptorily demanded of Congress these huge increases of appropriations which make necessary this bill as well as the revenue act of last session. The advocate of such appropriations, who pays a tax under this bill and under the bill of last session, will know that not a dollar of it will go for so-called "pork barrels" in the river and harbor bill, or in the public-buildings bill, or for any other so-called "pork barrel" bill, but every dollar of it will go for what he desired and what he demanded, namely, for increased appropriations for "preparedness." While many whose partnership or corporations will have to pay taxes under this bill will protest as loudly against this bill as they shouted for the big appropriations which it will finance.

I am glad to say that some are patriotic enough, are fair-minded enough, appreciate its equity enough, to approve this excess-profit tax, and will pay it willingly. Not all the preparedness advocates and clamorists are seized and dominated by the impulse of avarice. An officer and large stockholder of one corporation has told me that his corporation will pay \$100,000 by reason of the provisions of this bill. "I am willing to do it," said he. "My corporation ought to pay it. We demanded

preparedness; we are willing to help pay for it. We know if we make sufficient profits for this Government to get \$100,000 from us we have made large and immense profits, and do not begrudge the Government the small part it gets. I wish we could make profits enough to pay the Government, under this bill, \$1,000,000 instead of \$100,000."

Mr. MADDEN. Will the gentleman yield to a question for information?

The CHAIRMAN. Will the gentleman yield to the gentleman from Illinois?

Mr. KITCHIN. I will.

Mr. MADDEN. What I would like to ask the gentleman from North Carolina is this: If he will be kind enough to tell the House why, in levying this tax on excess profits, the committee confined it exclusively to corporations, partnerships, joint-stock companies, and insurance companies, which in many cases are only organized because of the fact that the individuals who compose these companies have not sufficient money to engage in a business enterprise themselves, whereas the individual who is engaged in business by himself, on his own account, is so engaged because of the fact that he has sufficient capital to enter the business world without requiring the cooperation of other citizens with small means? Why the man, for example, with a sufficient amount of money to be able to run alone is exempt while the man or woman who have not enough money to go into business with on their own account and must combine with other people are taxed?

Mr. KITCHIN. I would have preferred for the gentleman to have asked that long question—

Mr. MADDEN. It is a very simple question.

Mr. KITCHIN (continuing). And argument later on, because I was going to come to that. But I will answer the gentleman now. In the first place the gentleman's assumption is contrary to actual business experience. It is the copartnership and corporation that gather in combination large capital for large enterprise, and not the individual. In exceedingly rare cases there doubtless are individuals, who as such, engage in big business. But even the individual with ample capital for large enterprise prefers and usually does, for manifest reasons, engage in them through the agency of the corporation. This bill, as the gentleman says, taxes only corporations and copartnerships, and does not apply to individuals.

The individual in the present income-tax law pays not only the normal tax of 2 per cent, but is in addition chargeable with a surtax running from 1 per cent up to 13 per cent, graduated according to the amount of income. The corporation pays only the normal tax of 2 per cent; does not, like the individual, pay a surtax, whether its income is big or little. The partnership as such pays no income tax at all. This is one reason why we did not include individuals in the excess-profit tax provision.

Another reason is the administrative difficulty which such a tax on individuals would present. The individual, having no partner or others, like stockholders or officers of a corporation, to account to, as a rule keeps no books as to his investments, his capital, his surplus, and so forth. He is engaged in various activities from which he derives his income, and the capital invested in such activities would be most difficult to ascertain.

There was another consideration that weighed somewhat with the committee in not applying the excess-profit tax to the individual. Under the present income-tax law an individual with same capital, in same business as a copartnership, perhaps in competition with it, is entitled to only one exemption of \$3,000 if a single man, or \$4,000 if married; while each member of the partnership is entitled to \$3,000 if single, or \$4,000 if married. If there are three partners and all married, there would be an exemption of \$12,000, while the individual would have only \$4,000.

If we applied the excess-profit provision to individuals, then, in addition to the several exemptions of partners under the income-tax law, the several partners would have the advantage of deducting a reasonable amount for the several salaries of the partners for their personal services, while the individual, if allowed any deduction on this account, would only receive deduction for one—his salary. And the stockholders of a corporation, two or more, if officers or employers, for their personal services would be entitled to deduct the reasonable salaries of each as against the individual's deduction of one salary.

Mr. MADDEN. Now, Mr. Chairman, will the gentleman yield for a further question?

Mr. KITCHIN. I will.

Mr. MADDEN. I would like to have the gentleman from North Carolina say whether he believes the corporations are not owned by individuals, and that the individuals are taxed?

Mr. KITCHIN. Yes; corporations are owned by individuals, but you take an individual and consider what he can do himself, outside of combination with others, and you will find he can not become a trust or a monopolist to control the prices of articles of commerce or of the necessities of life.

Mr. MADDEN. Would this bill include a man like John Wanamaker, who is running an individual concern?

Mr. KITCHIN. No; it would not include rare individuals like John Wanamaker, whose income runs into the hundreds of thousands and perhaps millions, but he pays under the income-tax law much more income tax than a corporation of like business and capital and income, because he pays a surtax and the corporation pays none.

Mr. MADDEN. Will the gentleman permit one more question?

Mr. KITCHIN. Yes.

Mr. MADDEN. Where did the gentleman get his information that individuals do not keep books? How do you levy an income tax upon an individual if he does not keep books?

Mr. KITCHIN. I remind the gentleman that the income under the income-tax law deals only with incomes and has nothing to do with the investments, amount of capital, surplus, and so forth. I know how much income I have, and the gentleman knows how much income he has, and yet it would be difficult to sit down and ascertain how much capital you have invested. We pay on the income, mattering not how much or in what way our capital is invested.

The gentleman from Illinois [Mr. MADDEN] and the standpat Republicans generally are complaining that by this bill we permit the corporations and copartnerships to have an exemption of \$5,000. Why, gentlemen, who first gave corporations an exemption of \$5,000? The Republican Party. The gentleman from Illinois voted for it himself. In the Payne Act did we not have a corporation tax of 1 per cent, and did it not give to every corporation an exemption of \$5,000? In the income-tax law, as to incomes, we did exactly what you say we ought to do now—we did not give the corporations any exemptions at all. We did what the gentleman now says is right, and they did what the gentleman now says is wrong. [Applause on the Democratic side.]

Mr. MADDEN. I was asking the gentleman a question.

Mr. KITCHIN. Yes; the gentleman was asking me insinuating questions. [Laughter.]

Mr. MADDEN. The gentleman ought not to put words into someone else's mouth.

Mr. KITCHIN. You are satisfied with the \$5,000 corporation exemption?

Mr. MADDEN. I am satisfied that the Democrats have no consideration whatever for any business enterprise in the United States. [Applause on the Republican side.]

Mr. KITCHIN. That is the right reply—

Mr. ASWELL. No special consideration.

Mr. KITCHIN. Everybody knows that 25 or 30 years ago a statement like that would have had the unanimous applause and approval of the Republicans in the House. It would have been new, but only about half a dozen applauded that because it has become so stale and unprofitable. [Applause and laughter on the Democratic side.]

I trust now I can have without interruption a few minutes in which to explain the nature and operation under the bill of the excess-profit tax. The bill provides for a tax of 8 per cent on the net profits or incomes of copartnerships and corporations which are in excess of, first, \$5,000, and, second, 8 per cent net profit on the "actual capital invested." Such net incomes or profits of a corporation is its next income shown by its income-tax returns, under the present income-tax law—that is, we take the net income of a corporation according to such income-tax returns as the starting point or basis of calculation for the exemption or deduction and for the tax. Capital does not include borrowed money. On borrowed money they have a deduction for interest. "Actual capital invested" means and includes (1) actual cash paid in, (2) the actual cash value at the time of payment of assets or property paid in other than cash, and (3) paid in or earned surplus and undivided profits employed in the business. Now, before this tax can attach to any copartnership or corporation, it must have the first, or \$5,000, exemption or deduction from the net profits, and then, in addition to the \$5,000, it must have a further exemption or deduction of 8 per cent clear net profit on the entire capital actually invested, including capital stock, surplus, and undivided profits, an exemption of 8 per cent clear profit after paying all taxes, overhead charges, salaries, labor and cost of raw material, wear and tear

of machinery and buildings, interest, and everything. Then the amount of net profit or income in excess of such exemptions is taxed 8 per cent. I am not such a business man like my friend from Illinois [Mr. MADDEN], but I will be glad to put everything I can save in any stock or any investment that would guarantee me clear 8 per cent net profit. It is twice as much as the widows and orphans of this country get on their little money loaned out, because on the average in this country, after paying municipal, county, and State taxes, they have left net about 4 per cent.

And yet before this tax attaches all corporations and all copartnerships, big and little, get \$5,000 flat exemption and then 8 per cent net profit upon the entire capital invested, including paid-in or earned surplus and undivided profits.

Mr. PLATT. Would the gentleman be willing to put all his money in a mining stock that yielded no more than 8 per cent?

Mr. KITCHIN. If before anybody else gets any of my money I am guaranteed \$5,000 and 8 per cent clear, I would be willing to put it anywhere, so far as this tax is concerned.

Mr. MADDEN. The gentleman talks about guaranteeing 8 per cent. I think if the gentleman and his party can guarantee 8 per cent, they can have every dollar that every investor in the United States has got to invest.

Mr. KITCHIN. Of course, the gentleman misunderstood. I said before this tax attaches, and so far as this tax is concerned, there must be a guarantee of 8 per cent before the Government gets anything.

Mr. REAVIS. As I understand the purpose of the bill from reading it, and the gentleman's statement, it is to tax business—not to tax corporations or partnerships, but the business of those institutions.

Mr. KITCHIN. It is to tax the excess of net profits or incomes of copartnerships and corporations, as I have just explained, except incomes of partnerships, derived from agriculture or from personal services.

Mr. REAVIS. I am asking solely for personal information. If that is the purpose of the bill, why should not the profit of a business in the hands of an individual pay the same tax as the profits of a business in the hands of a partnership or corporation?

Mr. KITCHIN. I might not have answered that to the satisfaction of the gentleman when I replied to a similar question of the gentleman from Illinois, but the reasons I gave to him are the reasons why the individuals are not included in the provisions for the excess-profit tax.

Mr. SMITH of Michigan. I understood the gentleman to say that the capital invested in a corporation was not liable to this tax up to 8 per cent.

Mr. KITCHIN. The excess of the net profits above (1) \$5,000, and (2) 8 per cent of the capital invested, including surplus and undivided profits, is liable to a tax of 8 per cent; that is, after deducting from the net profits or incomes these two exemptions the excess only is taxed at the rate of 8 per cent.

Mr. SMITH of Michigan. Take a railroad company, for instance, that has capital invested in its tracks, equipment, and right of way. Would that be exempted?

Mr. KITCHIN. No; the gentleman does not understand me. The exemptions are \$5,000 and 8 per cent of the capital invested, including surplus and undivided profits. These two exemptions are deducted from the net profits or incomes before the tax of 8 per cent attaches, and it then attaches only on the profits or income in excess of the two exemptions. Let me illustrate. Take a corporation or a partnership, without any surplus or undivided profits but with a capital paid in, in cash or in assets turned in, of \$100,000. The entire capital invested is \$100,000. Now, before this tax attaches at all from the net profits or income there is first a deduction of \$5,000 and then a deduction of 8 per cent of the \$100,000 invested, which is \$8,000. Adding these two exemptions or deductions, we have \$13,000 to be deducted from the entire net profit or income before the corporation or copartnership is liable for any tax. So in the case of a \$100,000 corporation or copartnership, before the tax attaches at all it must make, clear of everything, a net profit upon its capital of over 13 per cent. If the corporation or copartnership makes 8 per cent, it is not taxed at all. If it makes 10 per cent, it is not taxed at all. If it makes 12 or 13 per cent, it is not taxed at all, because there is no net profit or income in excess of the exemptions or deductions. But suppose it makes 15 per cent; in other words, makes \$15,000 profit on \$100,000? That is not much of a protective-tariff manufacturers' profit, I must admit, but it strikes me that is a mighty good profit, 15 per cent net, clear of everything. Now, you deduct \$13,000; that is, the flat deduction of \$5,000, plus 8 per cent upon the capital invested, which is \$8,000, totaling \$13,000. Deducting the \$13,000 from the entire net profit or income of \$15,000 leaves

\$2,000, which is the income or profit in excess of the exemptions or deductions allowed, called the excess profit. Upon this excess profit the bill provides for an 8 per cent tax. Eight per cent of this \$2,000 is \$160, the amount of tax this corporation or partnership would have to pay.

Gentlemen, the man inside or outside of this Capitol who says that \$100,000 capital of a copartnership or corporation making \$15,000 clear net profit is burdened by having to pay \$160 to help support this Government, to help, in their own language, to prepare this Government for properly defending itself against attacks by the foreign powers of the world, is a mighty small, narrow, avaricious man. [Applause.] Suppose this \$100,000 capital stock corporation had a surplus and undivided profits of \$50,000, then the deductions or exemptions would be \$5,000 plus 8 per cent on the capital stock and surplus and undivided profits. Eight per cent of this would be \$12,000; adding to this the \$5,000 makes \$17,000 exemption from the net profits before the tax attaches; that is, it would have to make over 17 per cent on the capital stock before paying any tax.

Mr. SNYDER. Has not the gentleman overlooked the 2 per cent that must be collected first?

Mr. KITCHIN. Oh, no; I have not overlooked that. That is the 2 per cent normal tax under the present income-tax law. This 2 per cent, as well as all other taxes, is credited or deducted as part of the business expenses before arriving at the net profits or incomes.

Mr. ADAIR. Would not the 2 per cent already paid under the other law be included as a part of the expense of the business?

Mr. KITCHIN. Yes; certainly. It makes no difference how much the county tax, or city tax, or State tax, or income tax, or any other tax that is levied may be, the amount so paid is deducted and credited before the net profit is ascertained as a part of the expenses of the business. The copartnership or corporation must have as one of the exemptions 8 per cent net profit after paying all taxes, salaries, and every other expense of the business before this tax attaches at all. In other words, so far as this tax is concerned, it makes no difference whether the corporation or partnership pays \$1,000 or \$100,000 of city, county, State, and Federal taxes, that \$1,000 or \$100,000 must be deducted and allowed as part of the expenses of the business; and after deducting that, with all other expenses, it is entitled to the 8 per cent clear net profit plus \$5,000 before this tax is levied.

Mr. MANN. If the gentleman will pardon me, I have been a little under the weather and have not paid as much attention to this bill as otherwise I would, or perhaps I would not ask this question. How do you arrive at the amount of capital invested? Here is the New York Central Railroad, for instance, which has a capital stock and a bonded indebtedness. I forget what it pays in the way of dividends, but I think 5 per cent now. It may earn as a profit as much as 8 per cent a year, deducting a portion of it for depreciation and betterment, which I suppose is done under the rules of the Interstate Commerce Commission, carrying the same as surplus. Will you take the capital stock of the New York Central Railroad as the amount invested; or, if the Interstate Commerce Commission had valued the New York Central Railroad—which it has not yet—will you take their valuation as the amount of capital invested?

Mr. KITCHIN. No. The bill itself explains what is capital actually invested. It is cash actually paid in, the actual value of assets, at the time of payment, paid in other than cash—paid in or earned surplus and undivided profits.

Mr. MANN. I venture to say in the case of the New York Central Railroad that it is impossible to arrive at those figures.

Mr. KITCHIN. Then, in the case of bonds, the bill provides that it does not include borrowed money—which of course covers bonds—by the corporation and partnership, but they deduct their 6 per cent or 4 per cent, or whatever it is, which they pay on the bonds, and thus they get the benefit of that.

Mr. NORTON. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. NORTON. The gentleman made the statement that there would be no 8 per cent tax at all until the corporation had made 13 per cent upon its capital.

Mr. KITCHIN. That is in the case of a \$100,000 corporation, without surplus and undivided profits. If it has surplus and undivided profits the deduction would be more as the 8 per cent exemption would be calculated on such surplus and profits as well as on the capital stock.

Mr. NORTON. Of course. That is not true when the capital is more than \$100,000.

Mr. KITCHIN. I am going to get to examples of corporations and partnerships of more than \$100,000 later on if not interrupted. But such larger corporations and partnerships

have exactly the same exemption, namely, the flat deduction of \$5,000 and the 8 per cent. Suppose we take a \$50,000 capital stock corporation. Before the tax attaches there must be the flat exemption of \$5,000 and the further exemption of 8 per cent on the capital, or \$4,000, which would total \$9,000. In other words, a \$50,000 corporation before the tax touches it must make 18 per cent on the capital stock. Let us now take a \$500,000 corporation or partnership. Before the tax attaches it has a \$5,000 exemption, and then 8 per cent upon \$500,000, or \$40,000, making a total exemption of \$45,000. Of course, the \$5,000 exemption does not cut as much figure in the amount of percentage of deduction in a \$500,000 corporation as it does in a corporation of \$100,000, but statistics show that a \$500,000 or larger corporation, in a large majority of cases, has surplus and undivided profits which will amount to as much as the capital stock; so that in a majority of cases a \$500,000 corporation having an equal amount in surplus and undivided profits will have exempted to it, in addition to the flat \$5,000, 8 per cent of the original capital and the surplus and undivided profits, making a little over 16 per cent on the original capital; that is, \$85,000 total exemption.

Mr. FORDNEY. Mr. Chairman, will the gentleman make the statement for the benefit of the House that he made to me in private conversation in respect to this? Suppose that a firm several years ago was organized with a capital of \$1,000,000, a sawmill and timber proposition, for instance. Since that time they have paid no dividends, but have added profits to the original capital to the extent of half a million dollars, while in the meantime the value of their property has enhanced another half a million dollars. The question is whether you are going to permit them to deduct a profit upon the million and a half or two millions, or what sums, or are you going to fix a date upon which time that value shall be based?

Mr. KITCHIN. Mr. Chairman, I want to say to the gentleman that in the case he cites, the 8 per cent deduction would be upon a million and a half dollars. In other words, you paid in first \$1,000,000. Then, instead of taking the dividends and putting them into your pocket you put them back into the company, say, a timber company, to the amount of \$500,000. That is your surplus or undivided profits. So your deduction would not be 8 per cent upon a million dollars, but would be 8 per cent upon the million and a half dollars. The bill provides that it is actual cash or assets paid in, and the surplus and undivided profits upon which the 8 per cent deduction is calculated. Now, then, in that case you would have, instead of a deduction or exemption of \$80,000, a deduction of \$120,000, plus the \$5,000 exemption. Let me ask you, between you and me, do you not think a concern that put in a few years ago a million dollars and then has \$500,000 of surplus and undivided profits and makes up on that \$125,000 clear money every year, is able and ought it not to help pay a little upon excess profits for the country's "preparedness"?

Mr. FORDNEY. I agree that that suggestion is right. But suppose the \$1,000,000 were invested 20 years ago and no dividends paid since that time, but the profits returned to the extent of half a million dollars?

Mr. KITCHIN. I understand that. A deduction, as I explained, of 8 per cent would be allowed on the half million dollars as well as on the original capital of \$1,000,000.

Mr. FORDNEY. But as the gentleman suggested to me, does he not believe that a fair valuation of that property should be had and that it should be permitted to earn a profit upon the valuation as of the date of the enactment of the law or certainly on March 1, 1913, the time when the income-tax amendment to the Constitution became effective?

Mr. KITCHIN. Mr. Chairman, that has somewhat disturbed me, to be perfectly candid, as I told the gentleman, in thinking the matter over in my own mind. I must confess that I have not yet arrived at a definite conclusion, but rather think the proper way is as the bill has it. We say in the bill cash paid in, and assets turned over or "paid in," the value of the assets taken at the time when turned over or paid in. It has occurred to me, and I want to say it to the members of the Committee on Ways and Means, and I have been somewhat worried over it, that it may be the proper thing to fix the date of the valuation of the assets turned over instead of cash as of March 1, 1913, the date of the income-tax amendment proclamation. However, I am inclined to the opinion that under all the circumstances, considering the administration difficulties involved, it is best to leave it as we present it in the bill.

Mr. FORDNEY. Such a provision was inserted in the act of September 8, 1916.

Mr. KITCHIN. Similar in some respects, but not in all. I said to the gentleman this morning that I was going to think that over further and discuss the matter with my colleagues

upon the committee and see what conclusion we can reach in respect to it.

Mr. HUSTED. Mr. Chairman, will the gentleman explain why the initial exemption is a fixed amount of \$5,000 instead of a certain percentage upon the capital and surplus and undivided profits? That would be a very small exemption in the case of a large corporation, but it might be a very large exemption in the case of a small concern.

Mr. KITCHIN. I would refer the gentleman to the Republicans who were the authors of the Payne Act, for in the minority views upon this bill they refer us back to that in order to get revenue, and I could have the gentleman ask them why they made a flat \$5,000 exemption to corporations, big and little, in the corporation-tax provisions just as we do in this bill. In all income-tax laws in all countries there is a flat exemption. When we levied an income tax during the Civil War we had a flat exemption. Then the next income-tax law was passed under the Cleveland administration. That had a flat exemption of \$5,000. The next income tax, called an excise tax, was in the Payne Act of 1909. This was a tax of 1 per cent on incomes of corporations. It had a flat exemption of \$5,000. The next income tax is the present act now on the statute books, in which a flat exemption to individuals of \$3,000 in the case of a single person and \$4,000 in the case of a married person is allowed. So, following the precedents in our own country, based on sound and wise policy, we provided in this bill a flat exemption, and in addition a percentage exemption.

Mr. AUSTIN. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. AUSTIN. I received in my mail yesterday morning a letter from a manufacturer of pig iron in my district complaining of this proposed tax. Under existing law his company pays a State tax, a county tax, and pays a city tax and a national-income corporation tax. Now comes this additional tax. He wants to know whether your committee could not raise some of this money from the maker of foreign pig iron who ships his product here and sells in competition without paying any tax. [Applause on the Republican side.]

Mr. KITCHIN. That is in substance the question every stand-pat Republican puts, and it is the question every man who makes tremendous profits and opposes this bill puts to us. Why not levy a protective tariff, they ask, so that they who are making the most exorbitant profits the world has ever known can enlarge their profits and shift the whole burden of this \$207,000,000 not to the foreigner, but to the people who buy coffee and tea and sugar and clothes and lumber and other necessities of life? Why not make the wage earner and the people who make no profits pay the tax? That is the question of difference between us. The gentleman is asking—

Mr. AUSTIN. His firm has made an average of 4 per cent.

Mr. KITCHIN. Well, then, his firm under this bill will not pay a cent. [Applause on the Democratic side.] Now, the gentleman ought to write back and tell them that he has so manipulated things here that they will not have to pay one single dollar under this excess-profit tax. [Applause on the Democratic side.]

Mr. AUSTIN. This firm has averaged since 1872 4 per cent.

Mr. KITCHIN. Four per cent only?

Mr. AUSTIN. It has averaged more than that of late, and comes within the provisions of this law on account of the increase in the production of pig iron on account of the European war.

Mr. KITCHIN. The gentleman says they are making an increased output and profit on account of the European war. How in the name of common sense can they have a foreign competitor in the home market when they are selling abroad and his European competitor can not sell here at all? [Applause on the Democratic side.]

Mr. AUSTIN. He will have plenty of competition at the close of the war—

Mr. KITCHIN. But we do not know when it will close. It may be six months, it may be six years. What we are after is to get the required revenue now for next year and for the next year. The gentleman's position is that he is for big appropriations for preparedness, but against any kind of a revenue bill that will raise the money to pay for it.

Mr. HULL of Tennessee. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. HULL of Tennessee. At the bottom of page 3 it says:

Every foreign corporation and partnership, including corporations and partnerships of the Philippine Islands and Porto Rico, shall pay for each taxable year a like tax upon the amount by which its net income received from all sources within the United States exceeds the sum of 8 per cent—

And so forth.

Then it proceeds to apply the tax as if it were a domestic corporation.

Mr. KITCHIN. Now, the gentleman, who poses as a good standpat Republican, says that in all the years since 1872, most of which were under Republican administrations, under Hayes, under Harrison, under McKinley, under Roosevelt, and under Taft, this company has not been able to earn but 4 per cent, but now, under the Wilson administration and the Democratic Party, it is earning much more than 8 per cent. [Applause on the Democratic side.]

The gentleman, I suppose, thinks it would have been all right when they were earning 4 per cent in lean years to tax part of that profit, but now, under a Democratic administration, they are enabled to make much more than 8 per cent, we ought not to tax them at all. [Laughter.] This concern is a pretty good illustration, gentlemen, whether in my State or your State, of the cruel demands of avarice. Think of such a demand now when everyone knows that the cost of living is higher than ever before, that a man who receives a salary, the employee and the wage earner who receives a daily wage for his daily toil, are paying more to-day for something to live on and to keep body and soul together than ever before.

Every man knows that the advance of wages in this country has not kept step with the advance in the cost of living. Every man knows further that the profit makers, the manufacturers, the business enterprises, and industries in this country are making the most tremendous profits in all the history of industry. What is their proposition? "Do not tax us. We are reveling in orgies of profits. Restore for us a high protective tariff. Although the cost of living is higher than ever before, put this tax upon consumption, put it upon the employees, upon the laboring man, put it upon the lawyer, the doctor, the merchant, the farmer; put it somewhere that will cause the cost of living to go higher; put it somewhere, so that we, who are making the most exorbitant profits in all history, will, by a law which you write, be able to make out of the people larger profits and at the same time escape all taxation." [Applause.] That is the proposition of the gentleman and his party here.

Never, my countrymen, was the demand of avarice so bold, so cruel, so wicked, so inhumane, as this demand of my friend from Tennessee [Mr. AUSTIN], and the demand of the Republican Party here. Restore the protective tariff. Put a tax on tea, on coffee, on lumber; put a higher tax on sugar; increase the tariff tax on underwear, on clothes, and on all necessities of life. This is the alternative which the Republicans offer. In these days of unprecedented advance in the cost of living our committee thought it would be an outrage upon the American people to propose any such bill as the opponents of this bill recommend. [Applause on the Democratic side.]

Mr. AUSTIN. You are perfectly willing to add to the taxes of an American maker of pig iron, but you want to continue to put the product of the iron furnaces of Europe on the free list and not exact a farthing to help run this Government.

Mr. KITCHIN. Why do you put that ridiculous question to me when you admitted a few minutes ago that your company was shipping pig iron abroad in competition with the world and making more profits by over 100 per cent than at any time since 1872? Will you not ever learn any better? [Applause.]

Mr. FESS. I would like to ask three questions. First, what was the theory of the exemption of agricultural associations?

Mr. KITCHIN. The gentleman means, of course, the income of partnership derived from agriculture. I will say to the gentleman from Ohio that that question has been asked a considerable number of times. There is one very serious objection to including it, namely, the difficulty in its administration. Who knows what is invested in land and farming? If you use fertilizer this year, how much of that fertilizer is consumed by the profit-making growing crop and how much goes over to next year in improvement of the soil, and next year, and so on. If you ditch it, if you put 10,000 yards of ditching on a farm, how much of that ditching can you charge up to the current year's crop or operating expenses, and how much as permanent improvement?

There are a thousand and one things that enter into farming operations that would be most difficult to say whether it is operating current expenses or is new capital put in, or should go to surplus. For more than a thousand years it has been the policy of every government—your party always claimed that it was its policy—to foster agriculture. There are many exceptions in the laws of this and all nations as to agriculture. I understand that every country in the world, as I said yesterday in answer to the gentleman from Pennsylvania, that levies an excess profit tax exempts incomes from agriculture. Now, we

thought if Canada could except her farmers, if Great Britain could except her farmers, if Germany could except her farmers, if Russia could except her farmers, that we, in framing this revenue bill, could afford to exempt ours. I ask the gentleman if he objects to it?

Mr. FESS. Yes; I do.

Mr. KITCHIN. Does he object to excepting the farmers of Ohio from this bill?

Mr. FESS. I object to discriminating in favor of any farmers' association in Ohio or elsewhere who would fall within the provisions of this bill if you put it on other people. It seems to me it is inequitable.

Another question. I wanted to ask three questions before I sat down.

Reverting to the interruption of the gentleman from Tennessee [Mr. HULL], in reading at the bottom of page 3, he says there is a provision for taxing foreign corporations. Does that mean that you will tax the profits of a foreign corporation domiciled in Europe that is selling in this country?

Mr. KITCHIN. Yes; the excess in proportion to the capital, as is fully explained and set out on page 4 of the bill which you have before you.

Mr. FESS. Is not this a foreign corporation that is doing business in this country?

Mr. KITCHIN. Yes; and it is taxed under this bill.

Mr. FESS. Now, this question: Referring to the declination to allow the revenue tariff suggested by my friend from Tennessee [Mr. AUSTIN], you said you did not want to add to the increased cost of living by a protective tariff. Do we not have a higher cost of living under your free-trade system?

Mr. KITCHIN. Yes; under the Underwood tariff act, but not because of the act. And if you Republicans would write a tariff increasing its rates, the cost of living would be that much higher. Shoes are higher now than they have ever been. Both shoes and hides are now on the free list. Your party put hides on the free list in the Payne Act and our party put shoes on the free list in the Underwood Act. Do not you believe that the price of shoes would be still higher if we were to put a 15 per cent tariff tax on them, and that it would cost the American manufacturer a little more to make them if we had a 15 per cent tariff tax on hides, which he would have to pay?

Mr. FESS. Certainly not; because you said when Republicans took the tariff off the price went up.

Mr. KITCHIN. Neither I nor any Democrat nor any Republican ever said that hides went up because the tariff was taken off. All claim that the price would necessarily be still higher if we were to put a tax of 15 per cent on them, as the Dingley Act had. The professed object of all Republicans in having a protective tariff is and always has been to enable the American manufacturer to get higher prices for his products in order to enable him to compete with the foreigner. If you do not believe that a high tariff enables the manufacturer to get a better price than he otherwise would get, what in the name of common sense do you want it, in the interest of protection to American industry, for. [Applause on the Democratic side.]

Mr. FESS. Let me answer that question. My friend said that placing leather on the free list, as the Republicans did, resulted in the price going up. I admit that. That is because you put it on the free list. Now, if you put it on the protected list the price will go down, would it not? [Applause and laughter.]

Mr. KITCHIN. Well, gentlemen, that is the gentleman's argument. Of course, he as well as every other man here knows that I never said that putting leather on the free list caused it to go up. Everyone knows the only fellows that would make that idiotic argument are stand-pat Republicans like my friend from Ohio. If they believe that because hides went on the free list the price of hides went up, every Republican protectionist in the House would favor putting all the products of the manufacturers on the free list, because then they would better serve the interests of the manufacturers, by forcing up higher the prices of their products. [Laughter.]

Mr. FESS. Mr. Chairman, will the gentleman permit a further interruption?

Mr. KITCHIN. Yes.

Mr. FESS. If you discourage home production by bringing American production into competition with that of Europe, and this increases foreign production, then the price will go up. That is what free trade does.

Mr. KITCHIN. Who is competing with us now? You say that this great prosperity is not because of the Wilson administration and is not because of Democratic legislation, but because nobody is competing with us here; that we are shipping goods abroad and getting high prices, competing with everybody on earth. But Republicans still insist that in order to

protect American industry, and incidentally to get \$200,000,000 and more of needed revenue, we should put the Payne tariff back on the statute books. It has been shown time and again that it is impossible to produce the revenue by restoring the protective-tariff Payne Act.

Mr. FESS. Is it not true that we imported \$577,000,000 more goods than ever before and collected \$111,000,000 less?

Mr. KITCHIN. The Payne Act in its last and best year, and without war, produced \$353,000,000. The Underwood Act last year produced \$334,000,000. More than \$577,000,000 came in on the free list, and a billion dollars of imports on the free list came in last year, and those identical articles were on the free list under the Republican Payne Act. [Applause on the Democratic side.] We imported last year of articles on the free list \$159,000,000 of rubber, \$119,000,000 of raw silk, \$158,000,000 of hides and skins, \$59,000,000 of fibers, \$40,000,000 of cotton, \$35,000,000 of cocoa, \$20,000,000 of tea, \$115,000,000 of coffee, all of which, and millions more, were on the free list under your Payne Act. Why, then, do you complain and accuse us of bringing in these things free of duty? [Applause on the Democratic side.]

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. FORDNEY. The gentleman ought to know that there are at least 500 articles on the free list in the present tariff law that were also on the free list under the Payne law.

Mr. KITCHIN. And by far the greater part of free importations now are of articles which were on the free list in the Payne Act.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. ELSTON. Does the gentleman mean to say that there will be an exemption from the provisions of this bill of corporations such as we have in California for the raising of sugar beets? Does the gentleman classify such corporations as agricultural corporations?

Mr. KITCHIN. Oh, no. Do not think that the big sugar corporations out in California could put one like that over the Ways and Means Committee. [Laughter.] The agricultural exemption is applied to partnerships and not corporations. We have got them all in, every one. [Applause on the Democratic side.]

Mr. ELSTON. For instance, take the case of some of our land barons. I have in mind the case of a \$40,000,000 estate, owned individually, or owned by a family group in partnership. Does the gentleman say that it is fair and equitable that a tremendous estate like that should be exempted?

Mr. KITCHIN. For individuals of large estates, such as the gentleman indicates, yes; because they would have to pay a large surtax under the income-tax law; but if they are not individuals but copartnerships, then the income from agriculture would be exempted in this bill. But they are not copartnerships, as the gentleman thinks. They are corporations. The big sugar corporations in California and elsewhere in this country will pay the tax under this bill, and you do not blame us either, do you?

Mr. ELSTON. I will say to the gentleman that I am not against the principle of this excess-profits tax [applause on the Democratic side]; I believe that taxes should be put upon those best able to bear them. As to the equality, the fairness, and the uniformity of this tax, I think there can be valid objections. Taxes should be equal and uniform, and should not bear disproportionately on one class, or on industry almost exclusively.

Mr. KITCHIN. It is uniform. The gentleman's first objection was that he thought we were going to exempt these big sugar corporations out there that would come in competition with the individual farmer. That was the gentleman's complaint. I showed the gentleman that they would be required to pay just as they should pay.

Mr. ALMON. Will the gentleman state which other countries have this excess-profit tax, and what the rates are in those countries as compared with this country?

Mr. KITCHIN. Great Britain has an excess-profit tax, and I understand it is 60 per cent. Her law bases the deduction upon the average per cent of profits the business was making for the three years before the war. For instance, if the per cent of profits for the three years prior to the war was 8 per cent, it deducts 8 per cent and taxes the excess profits 60 per cent. But I understand that the profits prior to the war were less than 8 per cent, and therefore the deduction is less. Germany has a little over 30 per cent, France has 40 per cent, and Russia has 40 per cent. Canada has 25 per cent, with a deduction of only 7 per cent for corporations and 10 per cent for others. Our deductions and exemptions are more than the deductions and exemptions of any other country, and we tax the excess of profits made less than any other country in the world.

Mr. FORDNEY. But is not that a war tax in Europe?

Mr. KITCHIN. Yes; that is a war tax in Europe. Many of you have been shouting preparedness in this country in order to get big appropriations out of the Treasury, until you have made the people think that our country is in as much danger as any of the warring nations in Europe, that the Japs are coming over from the west, and England, Germany, and France, and Russia are all coming from the east. We have been told that we are in deadly peril. We have been told by the jingoes that the belligerent nations, bankrupted and exhausted, just as soon as the war is over, looking over at America, with her big, rich, untouched resources, are going to join together and come over and conquer us, or make us indemnify them for all the losses in the war. That is the kind of stuff that your Navy League and your Security League and you Republicans and some of us good Democrats have been putting out to the country. [Applause.]

Mr. BUTLER. And the President of the United States. He asked us to give him the biggest Navy in the world.

Mr. KITCHIN. As much as I think of the President of the United States—and I think he is one of the greatest we have ever had, and I have got as much confidence in him as I have in anyone—I have never said that the President of the United States was not sometimes as wrong as Republicans are all the time. [Applause and laughter.]

Mr. BUTLER again rose.

Mr. KITCHIN. Let me get through explaining this bill.

Mr. BUTLER. Would the gentleman prefer that we should not interrupt him?

Mr. KITCHIN. It is all right. I do not care. Go ahead. About the only thing Republicans are going to get out of this thing is courtesy, so go ahead. [Laughter.]

Mr. BUTLER. The gentleman is always civil, and therefore it is a temptation to us to have a little bit of a dispute with him. We can not, however, forget the fact—although gentlemen may say we are always in the wrong—that the President of the United States speaks for the American people, and I am one of those who followed him in what he has advocated. Therefore, when the gentleman talks about these excessive appropriations, I want him to include the leader of the American people.

Mr. ADAIR. Is not our leader advocating this bill?

Mr. KITCHIN. Yes. Whenever a Republican follows a Democratic President, he always follows him when the President is wrong, and never follows him when the President is right. [Applause and laughter.] My criticism of you is that the President has been right in ninety-nine cases out of a hundred, and you did not follow him in the ninety-nine cases wherein he was right. In this case the President, in my opinion, made a mistake, and Republicans follow him. [Laughter.]

Mr. SWITZER. Will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Ohio.

Mr. SWITZER. The gentleman seems to be informed as to the taxes that are levied in England.

Mr. KITCHIN. Does the gentleman mean excess-profit taxes?

Mr. SWITZER. I mean the taxes that we are borrowing from England.

Mr. KITCHIN. Prior to the war?

Mr. SWITZER. Will the gentleman specify if there are any other taxes levied in England that we have not adopted, or are not now trying to adopt?

Mr. KITCHIN. England has enough concern for the men and the women and children who must have food to eat and clothes to wear and blankets under which to sleep that she does not in times of peace, as the gentleman's party does, put a tax on these necessities of life in the interest of tariff barons.

Mr. MADDEN. How about the income tax?

Mr. KITCHIN. I am glad the gentleman mentioned it. Before the war Great Britain taxed incomes twice as much as our income-tax bill of 1914, and 50 per cent more than our income tax of last year. In other words, Great Britain before the war collected about \$240,000,000 in income taxes on total incomes 50 per cent less than ours.

Mr. MADDEN. Will the gentleman state the exemption in England?

Mr. KITCHIN. I think the exemption was \$750. And yet the man whose income over \$750 is taxed did not pay as much taxes there as a man pays here who earns much less than that. You must remember that when he pays there a tax on incomes in excess of \$750, the rates of which is low on small incomes and is higher as the income increases, he does not pay anything like as much as one would here in poll taxes, in city, county, and State taxes. He pays no tax on hats, on shoes, on clothes; but the man who only gets \$3 a day here pays every one of these taxes. The man who gets \$3 a day, the wage earner, under a Federal indirect-tax system such as the gentleman's party favors,

with the State and county taxes, pays more taxes than the man in England paid who had an income of \$2,000.

Mr. DENISON. Will the gentleman state what reason governed the committee in determining the 8 per cent for excess tax?

Mr. KITCHIN. To get the required amount of revenue. We put the exemption or deduction at 8 per cent, because we thought 8 per cent was a good, fair investment profit, and we did not want to make the tax burdensome to anybody. Does the gentleman think it should be higher or lower, or what would he put it at now?

Mr. DENISON. I was not speaking of the justness of the tax. I was asking the gentleman an intelligent question.

Mr. KITCHIN. And I am asking the gentleman an intelligent question.

Mr. DENISON. I wanted to know what consideration determined the committee in fixing it at 8 per cent.

Mr. KITCHIN. I have given the gentleman the information. Now, would the gentleman put it higher or lower?

Mr. DENISON. I would devise an entirely different system of taxation.

Mr. KITCHIN. What kind of a system would the gentleman devise?

Mr. DENISON. I would put a tariff on imports, myself.

Mr. KITCHIN. Would the gentleman put a tariff on tea?

Mr. DENISON. No, sir.

Mr. KITCHIN. Would he put a tariff on coffee?

Mr. DENISON. No, sir.

Mr. KITCHIN. Would he put a tariff on wool?

Mr. DENISON. Yes.

Mr. KITCHIN. Would he put a tariff on lumber?

Mr. FORDNEY. Yes.

Mr. DENISON. Yes. [Laughter.]

Mr. KITCHIN. I do not think the gentleman from Michigan should coach the gentleman from Illinois. He is fully able to take care of himself. The gentleman said that he would tax wool. Of course, if you are going to put a tax on wool and thereby make the manufacturer pay more for it, then you, like the Republicans have done in every tariff they have written since 1867, must increase the tariff tax on the manufactured product—on clothing—as a compensatory duty for the increased duty on the raw material. The consumer would pay thereby a higher price for woolen clothes. Would not you do that?

Mr. DENISON. I rose to ask the gentleman a question, for information which he does not give, but puts to me 15 or 20 questions.

Mr. KITCHIN. Oh, yes; the gentleman rose to tag me, but he won't allow me to tag him. [Laughter.]

Mr. DENISON. Does my friend consider that I am tagging him?

Mr. KITCHIN. Would the gentleman put a higher tariff on woollen goods that the people must have?

Would he put a higher tax on sugar than there is to-day? Will the gentleman answer yes or no?

Mr. DENISON. Does the gentleman want me to take the floor?

Mr. KITCHIN. Would you put a higher tax on sugar?

Mr. DENISON. Yes, I would; just as the Democrats did.

Mr. KITCHIN. Yes; when sugar is higher than ever before, and the sugar companies are making millions of dollars profit out of the people, he would levy an additional tax on sugar and make the people pay it and at the same time enable the great sugar companies to make more profit still. That is their proposition. They want to levy by an increase of the tariff a tax whereby the cost of living to the consumer, to the wage earner, will be sent higher, and by which at the same time the manufacturers of sugar and woollen goods and of lumber can exact a higher price from the people and thereby swell their already swollen profits. But they refuse to take \$1 of that profit to help support the Government.

Mr. MOORE of Pennsylvania? Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. MOORE of Pennsylvania. In order to relieve this situation for a moment—

Mr. KITCHIN. When did the gentleman ever relieve a situation here? [Laughter.]

Mr. MOORE of Pennsylvania. I have helped the gentleman get a laugh from his own side.

Mr. KITCHIN. Why, it is the only side that feels good, that can laugh. You gentlemen have nothing to laugh over.

Mr. MOORE of Pennsylvania. Oh, we are just as much amused as the gentleman's side is. But while we are discussing enormous profits and the distribution of this tax will the gen-

tleman kindly indicate whether the high cost of living is attributable in any way to the increased profits of the cotton producer?

Mr. KITCHIN. Oh, the gentleman from Pennsylvania just can not keep from being a little bit sectional. Why mention cotton of the South and not wheat and corn of the West.

Mr. MOORE of Pennsylvania. I would like the gentlemen on the other side to laugh a little bit now. Has the gentleman so shaped this bill that the cotton producer or the exporter pays a single cent of this tax? Will the gentleman answer?

Mr. KITCHIN. The cotton producer pays no tax under this bill unless the producer is a corporation. Neither does the wheat, the corn, the grain, the truck, the live-stock producer, nor the producer of any other agricultural product, unless a corporation, pay any tax under this bill. Since the gentleman has mentioned cotton, let me tell him that, unlike the products of his State, there has not been in 50 years any tariff or any kind of protection on cotton. Our cotton goes out to the markets of the world in competition with millions of bales from India and Egypt, and we have never asked and do not ask for one single penny of tariff protection though \$40,000,000 worth of long staple cotton was imported here last year free in competition with our long staple cotton. We did not ask it when cotton went down to 6 cents a pound. Cotton is now 15 cents, it has been this season as high as 20 cents a pound, the highest it has reached in over 40 years. This good price was the result of the good sense and the economy of the farmers of the South, who said that instead of making a 16,000,000 bale crop and having a surplus of five or six million bales which, on account of war they could not export, they would cut down the acreage and make 11,000,000 bales. This high price does not compensate the loss in bales that the cotton farmer voluntarily incurred, and the loss in price he incurred in 1914 when the European war broke out. We lost on our cotton crop \$400,000,000 in the South, in 1914, and this 15 to 20 cent per pound cotton does not pay it back. [Applause on the Democratic side.]

Mr. MOORE of Pennsylvania. The gentleman admits that cotton pays nothing in this bill. Will the gentleman deny that this bill is intended to levy a tax upon those who manufacture the raw cotton?

Mr. KITCHIN. Cotton pays or does not pay just exactly like wheat in the West, like truck, and grain, and dairying, and stock raising in the gentleman's own State and other States. If produced by a corporation and there is an excess profit it pays a tax. If not, it, like other agricultural products, does not pay.

Mr. MOORE of Pennsylvania. The gentleman wanders from the question, as usual. The tax is imposed upon the manufacturer of cotton and is not imposed upon the producer.

Mr. KITCHIN. The gentleman is enough to make anybody get away from the question. The tax will be paid by the manufacturers of cotton and by the manufacturers of other agricultural products provided the manufacturer is a corporation or copartnership and there is an excess profit.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. HUSTED. I think the gentleman stated as one of the reasons for exempting the profits of agriculture from the provisions of this bill the administrative difficulties in the enforcement of the law.

Mr. KITCHIN. That is one of the reasons.

Mr. HUSTED. I want to ask whether he considers it more difficult to keep track of profits on the farm than of profits in a large manufacturing industry?

Mr. KITCHIN. It may be the gentleman is right. It may be that it is easier to keep track of profits of any industry than one of these protective-tariff manufacturing industries. The tariff board here under Taft's administration could not get track of them in everything.

Let me return to the excess-profits tax. An official of a big corporation came into my office yesterday to protest against this method of taxation, declaring that it was disastrous and confiscatory. I asked how much his corporation would have to pay under the bill and he said about \$500,000. "That sounds mighty big; that is a big tax," I said. "But, my friend, you have not given the other side. When you tell me that under this excess-profits tax your corporation will pay \$500,000, I tell you that that is evidence that it is making a most tremendous profit. Before the Government gets a cent of that \$500,000 your corporation shall have already had \$5,000 deducted and 8 per cent clear net profit on your capital stock, surplus, and undivided profits, which alone is a good investment profit, and in addition to that profit you have eleven times \$500,000, or \$5,500,000 of clear profit. In other words, after setting aside for your 8 per cent net profit on your investment and then the \$5,000 your corporation gets \$5,500,000 additional clear profits and the Government only gets \$500,000. That is

about one-twelfth of your profit in excess of \$5,000 and a net profit of 8 per cent." Now, can any man say that is an exorbitant or disastrous or burdensome tax for that concern to pay to help support and defend the Government under which it had made such immense profits?

Mr. BUTLER. Mr. Chairman, will it interrupt the gentleman if I should ask him a question or two?

Mr. KITCHIN. Not a bit.

Mr. BUTLER. I voted for some of these large appropriations and we have got to pay the price. I want to ask the gentleman a question or two.

Mr. KITCHIN. Surely.

Mr. BUTLER. I do not care about involving the country in debt if I do not help to pull it out. How much money have we to raise this year, or rather how much money are we short? Will the gentleman answer one or two questions so I can get it straight in my mind? I am not going to listen to all the speeches on this subject.

Mr. KITCHIN. According to the estimates of the department—

Mr. BUTLER. For this year?

Mr. KITCHIN. For 1918.

Mr. BUTLER. For the present year up until July 1, 1917. How much short will we be?

Mr. KITCHIN. This year, ending June 30, we will have the general balance fund reduced to about \$64,000,000. The excess of disbursements over receipts for this fiscal year, ending June 30, according to the estimates of the Treasury Department, will be between \$160,000,000 and \$170,000,000. But the gentleman and the House should understand that included in the estimated disbursements are the estimated expenditures on account of the Mexican trouble, amounting to \$162,418,000. This accounts for the apparently large excess of disbursements. These expenditures, as the House understands, were not provided for in the revenue act of last session. We intended then, and I so stated to the House, to meet such expenditures by bonds, and in this bill we are so providing. Out of the proceeds of the bonds the Treasury will be reimbursed to the amount so expended.

Mr. BUTLER. Now, how are we going to raise that? What is the gentleman's proposition?

Mr. KITCHIN. That excess of disbursements will be reimbursed to the extent of \$162,418,000 as just explained. The revenue bill of last session, most of which will be paid in May and June, together with part of the large general balance fund in the Treasury at the end of the last fiscal year, provides for the increase of preparedness appropriation of last session.

Mr. BUTLER. Will that raise a sufficient amount?

Mr. KITCHIN. Yes; that with part of the general balance fund, as stated, but it will reduce the balance in the general fund at the end of the present fiscal year to about \$64,000,000—too low for the balance to be.

Mr. BUTLER. Therefore it is not contemplated by this bill we are to raise any revenue except to provide for the expenditures of next year?

Mr. KITCHIN. For the next and following years.

Mr. BUTLER. One or two questions more.

Mr. KITCHIN. Go ahead.

Mr. BUTLER. I would not disturb the gentleman, but he is well informed. I am not here for the purpose of provoking merriment but endeavoring to learn, for this is not a trifling business of putting \$400,000,000 or \$500,000,000 tax on the American people.

Mr. KITCHIN. It is most serious; go ahead.

Mr. BUTLER. How much do we propose to bond the Government for?

Mr. KITCHIN. We propose bond issues for the following purposes: One hundred and sixty-two million four hundred and eighteen thousand dollars for the Mexican situation.

Mr. BUTLER. Does that cover Vera Cruz?

Mr. KITCHIN. No; Vera Cruz is paid for. This is for the Mexican border trouble. For the construction of the Alaskan Railroad, \$35,000,000.

Mr. BUTLER. I voted for that.

Mr. KITCHIN. For an armor-plate plant, \$11,000,000.

Mr. BUTLER. I did not vote for that.

I want to know whether or not I can vote for this bond issue and vote for it separately?

Mr. KITCHIN. Twenty-five million dollars for the purchase of the Danish West Indies.

Mr. BUTLER. I approve of that.

Mr. KITCHIN. Bonds already authorized but not issued under the shipping act, \$50,000,000. Nitrate plant, \$20,000,000. These several items make \$303,418,000.

Mr. BUTLER. For which we are going to bond the country?

Mr. KITCHIN. Yes. We have available for issue \$222,000,000 of Panama bonds. We require \$303,418,000 for the specific objects mentioned. We propose now to authorize the Secretary of the Treasury to issue, in addition to the amount of Panama bonds available, as required to meet the expenditures on account of such objects, bonds not exceeding \$100,000,000.

Mr. BUTLER. Making how much?

Mr. KITCHIN. The whole bond issue, already authorized and to be authorized by this bill, \$322,000,000.

Now, that is not so bad—

Mr. BUTLER. No; it does not seem so large to me. [Laughter.] Although it is quite a little bit.

Mr. KITCHIN. Does the gentleman wish any more information?

Mr. BUTLER. Yes. And what sort of deficiency do we propose to make up for the balance of the tax you are about to levy? Will we have an opportunity to vote for the bond issue separate and apart?

Mr. KITCHIN. The tax we propose to levy is made necessary by increased appropriations for preparedness. In the Committee of the Whole you can offer an amendment to strike out all except the bond provisions.

Mr. BUTLER. Yes; but does the gentleman propose to give us an opportunity? It will be a very lame attempt that I would make.

Mr. KITCHIN. I am going to explain how you can do it. You want to vote on the bond issue?

Mr. BUTLER. I am perfectly frank to say that I am willing to vote for the bond issue to pay for what is known as military preparedness which the Government has been making, because I helped to do that.

Mr. KITCHIN. You want to vote separately on the bond question in this bill?

Mr. BUTLER. Yes. I would like to vote for the bond issue that would cover this military preparation.

Mr. KITCHIN. The bond issue is not for preparedness. The tax in the bill is for that. I will tell you how you can vote separately in the bond issue in the bill. If you do not care to offer amendment in Committee of the Whole, being opposed to the bill, get recognition from the Speaker, and then make a motion to recommit with instructions to strike out all portions of the bill except the bond provisions.

Mr. BUTLER. I am a little familiar with the rules of the House, but I know it would be rather a useless attempt for me to make, and therefore I do not see how I can vote for any part of this bill.

Mr. KITCHIN. If you will make the motion to recommit and you are cut out from that motion to recommit, it will be because you are prevented by your colleagues and not by us.

Mr. BUTLER. I want to thank the gentleman for answering my questions.

Mr. KITCHIN. Do you thoroughly understand it now?

Mr. BUTLER. I do not. [Laughter.] Some day there will appear a man who can understand it.

Mr. GORDON. Will the gentleman yield for a question right there?

Mr. KITCHIN. I will.

Mr. GORDON. Are the taxes provided for in this bill intended to pay for the increase of expenditures in the Army and Navy and in the fortifications bills for this year, with an excess over last year?

Mr. KITCHIN. Yes, sir; it covers that for which the gentlemen here, three-fourths of them on both sides, are going to vote.

Mr. KEARNS. How much?

Mr. KITCHIN. The estimates are \$164,000,000 increase over similar appropriation made last session, and \$520,000,000 over similar appropriation for fiscal year 1915-16. But understand the appropriation for preparedness for the last year took out of the general balance fund about \$75,000,000. And we should put that back or certainly enough to make \$100,000,000 in the general balance fund.

Mr. FERRIS. As I understand the chairman of the committee, there are about \$233,000,000 of contracts for which the Government stands committed, passed during the last session of Congress, in the Army bill. That will be one item.

Mr. KITCHIN. This tax continues. It is hoped that it, together with existing revenue laws, will take care of the Government expenditures in the years hereafter.

Mr. FERRIS. These authorizations were made last year and the Government stands committed?

Mr. KITCHIN. Yes; that is, for such authorizations as were made in the acts of last year, as long as they remain unrepaid.

Mr. STAFFORD. Will the gentleman yield there?

Mr. KITCHIN. Yes.

Mr. STAFFORD. What was the purpose of the last revenue bill, except to provide for these increased appropriations?

Mr. KITCHIN. You have increased them for the next year, according to the estimates, by \$164,000,000 over last year, and last year's appropriation will, in addition to the new tax levy of last session, take about \$75,000,000 from the general balance fund of last year.

Mr. STAFFORD. After we pass the Navy, military, and fortifications bills.

Mr. FERRIS. These continuing contracts will not be completed in this fiscal year, but over a period of years.

Mr. KITCHIN. Such contracts as have been or will be made under a three-year program. I would like to call the attention of the House, and I wish I could that of the country, to the tremendous increases in the appropriations for preparedness we have been making. If we continue to yield to the jingo clamor, and go on increasing yearly such appropriations, I do not care which party is in, it is going to puzzle the brains and worry the wits of Congress to find means of procuring from taxation the amount necessary to finance such appropriations.

Now, just stop a moment and think! The largest appropriation for Army, Navy, and fortifications by over \$10,000,000 that Congress had ever passed before "preparedness" struck the country was in 1915 for the fiscal year 1915-1916. It amounted to \$258,000,000. Men in this House—Republicans and Democrats—held up their hands and said, "We will never go any further. We must call a halt." When this \$258,000,000 of appropriations was passed the European war had already been raging over six months. We knew every fact about the war that we know now. We knew about the big ships, the big guns, every military device, everything that we now know. We thought that was big then.

But then came along the Navy League and the Security League and these other so-called patriotic leagues, largely controlled by munition manufacturers and war traffickers and jingoes. They filled the very air with goblins of foreign invasion. They, with the jingo press, sent to every nook and corner of the country tons of literature of deception. They alarmed the people into the belief or fear that our country was absolutely defenseless and helpless; that we existed only by the mercy of this or that foreign nation; that we had no ships, no guns, no army, no navy, no fortifications; that every minute we were in imminent danger of foreign invasion and conquest. The Executive and Congress, taking fright, responded to the demands of a deceived and frightened people.

So instead of \$258,000,000 appropriated in a calmer and less nervous moment a year before, the administration and Congress, Democrats and Republicans, piled up preparedness appropriations, exclusive of the Mexican situation, to the amount of \$613,000,000; and the estimates for this year are \$777,000,000! In other words, there is an increase in two years over the normal \$258,000,000, which was the largest up to that time in the history of the Government, of over \$873,000,000, an average increase yearly of \$436,500,000. For last year and this year we for Army, Navy, and fortifications alone make appropriations, and must provide taxes to pay it, of \$873,000,000 more than if we had just gone along with the regular, normal program and gradual annual increase. And this big annual increase will keep up, and the big annual taxes will keep up also.

Our opponents tell us we could raise the needed revenue by a tariff. Gentlemen, it would be impossible for you to do it. There is not a man who has given study to this question, be he Republican or Democrat, that does not know it would be impossible to raise it with any kind of a tariff that you could devise—impossible to raise more than about \$400,000,000 by any kind of a tariff in normal times and not near that much now under present conditions—and you would then lack over \$350,000,000 annually, having enough to pay for preparedness appropriations alone, to say nothing of the hundreds of millions of dollars needed for other departments and functions of the Government. A member of your party, the gentleman from Iowa [Mr. Goob] last session showed the impossibility of financing the increased appropriations for preparedness by a tariff or other methods of taxation formerly adopted by the Republican Party. I wish again to impress upon the House and the country, and especially upon my Republican colleagues, the fact:

If during the four years of the Taft administration, with the Payne tariff act in force and all the other revenue measures then existing, there had been appropriated for the Army and the Navy and fortifications the same amount of appropriations that we made last session, for which you Republicans as well as most of the Democrats voted, and which we will make this session, for which you will vote, there would have been a deficit in the Treasury at the end of his administration of \$2,100,000,000.

If the Payne Act and every revenue act that was on the books under the Taft administration had remained unchanged and were on the statute books now, to finance the appropriations for Army, Navy, and fortifications of last session and of this session, we would require additional taxation of \$900,000,000, and to finance them for four years would require over \$2,000,000,000 additional taxation.

Gentlemen, you know you can not raise it by a tariff. Yes; you know it. In spite of the groundless statements in the minority report, the fact is that last year the Underwood Act, with its income-tax provision, produced and is now producing as much revenue as the Payne Act, with its corporation-tax provision, could have produced. While we produced less in customs receipts last year than the Payne Act would have produced, the difference was made good in the large excess of the income-tax receipts of the Underwood Act over the corporation-tax receipts of the Payne Act. The Payne Act corporation-tax provision would have yielded last year \$40,000,000, while the Underwood Act income-tax provision produced \$125,000,000. So, gentlemen, you would get nowhere with your Payne Act, which you ask to be restored to produce the necessary revenue, and you know it as well as I do. Every intelligent man knows that with higher duties the imports would have been obstructed and therefore reduced and the duties collected less. While our free-list articles during the war have greatly increased in importations, our dutiable articles, even under the lower rates of the Underwood Act, have decreased.

Now, just look at the facts as they are, as honest men and patriotic men, whether Republicans or Democrats, ought to do. As I have shown, it is impossible to raise by any kind of tariff the revenue required for increased preparedness. The Payne Act while in force in normal times when dutiable imports were unhindered by war raised in customs receipts only \$326,000,000 in 1910, only \$309,000,000 in 1911, \$304,000,000 in 1912, and \$312,000,000 in 1913. Even if the Payne Act would produce as much now during the war as it then did, we would lack over \$450,000,000 of having enough revenue from that source to defray the preparedness appropriations alone.

The responsibility this session, as it was last session, of presenting to Congress a bill to raise revenue sufficient to finance the huge appropriations for preparedness, for which Republicans and Democrats voted, was upon the Ways and Means Committee of the House. We knew we could not get it under any kind of a tariff. Last year we presented a bill so wise, so just, so equitable, and it so appealed to the conscience and judgment of patriotic men that for the first time in the history of revenue legislation the minority party failed in the Ways and Means Committee to get a majority of their own members to vote against the bill. Half of the Republican members of the Ways and Means Committee voted for that bill.

Forty Republicans upon the floor of the House voted for the bill, because they knew the money could not be raised by any method of taxation theretofore pursued by their party and that the bill provided for a fair and just way to get it. We are now under the absolute necessity of raising additional revenue, amounting to \$207,000,000 or more, for increased preparedness. We could have raised it out of consumption; we could have raised it out of the necessities of the people. We could possibly have raised it by a tax upon tea and coffee and beer and whisky and tobacco and pig iron and petroleum and wool and shoes and clothes and food products and hundreds of other different articles of daily consumption of the people, and it would have required a tax on all of these articles to get sufficient revenue. We could have done that, but we felt it would not be right to do it now, when the cost of living to the people, to the wage earner, to the widow and orphan, has increased so much. In these days of the high cost of living the dollar of the wage earner, of the widow and the orphan goes a shorter way than ever before. It purchases less than ever before. We felt that it would be wrong—not only wrong but inhumane—for us to levy this \$207,000,000 extra taxes upon the consumption and the necessities of the people. We could have procured it by largely increasing the income tax. But in order to raise the required amount we would have had to make the normal tax 4 per cent instead of 2 per cent. If we increased the normal tax from 2 per cent to 4 per cent, then, whether a man or a corporation made 2 per cent or 4 per cent upon his investment, or more or less, he would have to pay an income tax twice as large as he now pays. This would be a hardship on many who are making little or no net profit on investments. It would be too high. Take a \$100,000 partnership or corporation, of which I spoke awhile ago. Suppose we should try to raise the additional needed revenue by increasing the normal income tax to 4 per cent? If it made only 6 per cent, it would have to pay \$120

extra. Say it made only 4 per cent. On such increased normal tax it would have to pay \$80. But under the excess-profit tax plan it would pay nothing. Now, we felt that copartnerships and corporations, after allowing them the deduction of \$5,000 and then a deduction of a clear 8 per cent profit, could better afford to pay one-twelfth of the excess profit—that is, 8 per cent on such excess—not a big tax, to help make up this \$207,000,000, than levying an extra 2 per cent on all incomes, whether the profits were large or small.

While the cost of living is higher, while the purchasing power of the wage earner's, of the orphan's and widow's dollar is less than ever before, the profits of the profit makers are larger than ever before, and we felt that after giving them a reasonable deduction and exemption, which of themselves are a nice investment profit, it would be fairer and more just and least burdensome to make the excess profits bear the burden of this tax rather than put the burden upon the necessities of life and the consumption of the people and thus increase still higher the cost of living.

Mr. KELLEY. Will the gentleman yield?

Mr. KITCHIN. Yes; I yield to the gentleman from Michigan.

Mr. KELLEY. I think I appreciate the desire of the gentleman to make the well-to-do bear this tax; but does the gentleman think that by putting the tax on the well-to-do it will surely stay there?

Mr. KITCHIN. No; I do not think that tax will stay there on the well-to-do if the Republicans get control of Congress next time. I think they will take it off and put it on consumption and the necessities of the people. I want to say to some of the Democrats who want to vote against this bill, not because they think the bill is a bad one, but because they do not want to vote for any more taxes for increased appropriations for preparedness—that although I voted against the big fortification bill yesterday, as a number of us did, I found out then that an overwhelming majority are going to vote also for the increased appropriations for the Army and Navy demanded by the departments, and we have got to levy a tax in some way or other in order to meet them. The question is whether we Democrats shall levy a tax upon excess profits or whether we shall defeat this bill and wait until some time in the future—possibly next session, and an extra session at that—when it is possible for the Republicans, with a handful of wild preparedness Democrats, to force the burden of this tax upon the necessities of the men, women, and children of this country. [Applause on the Democratic side.]

Mr. KELLEY. Under the provisions of this act undoubtedly the packers will be obliged to pay a certain tax. Does the gentleman think that will come out of the profits of the packers or will it come across the counter when the laboring man buys his meat?

Mr. KITCHIN. I know that the gentleman asks the question sincerely. I have thought about that same thing. Of course, when we put as we do an excise or specific tax on an article, such as the \$1.10 tax on a gallon of whisky, the distiller who sells it to the retailer adds that specific tax to the price, and in turn the retailer, with some profit on the investment, will add it to the price to the consumer. If we levy a specific tax on an article, whether on whisky, tobacco, or wheat, or meat or other articles, it is added to the price of the article all the way from producer to consumer. The seller knows exactly where and how much to add. But it is more difficult to transfer an income tax, and I do not think it is done, unless the payer has a practical monopoly of the production or sale of an article. In such case he can transfer even his income tax to the consumer.

Mr. KELLEY. Take the case of the sugar refiner.

Mr. KITCHIN. But of all the different schemes of taxation the excess-profit tax, under any circumstance, would be the most difficult, almost impossible, to pass on to the consumer.

Mr. FESS. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. FESS. These bonds are to run for 50 years?

Mr. KITCHIN. They run not to exceed 50 years.

Mr. FESS. With the idea that there will be a better market for them?

Mr. KITCHIN. Under the Panama Canal bond act they must run for 50 years. This bill provides that the Secretary of the Treasury can make them as well as the additional \$100,000,000 authorized by the bill have a maturity less than 50 years. They bear 3 per cent, payable quarterly.

Mr. FESS. What about the denomination?

Mr. KITCHIN. That is left to the Secretary of the Treasury.

Mr. FESS. What about the market value?

Mr. KITCHIN. They must be sold at not less than par or face value.

Mr. FESS. The gentleman has no idea what the bonds would sell for? The bonds of 1894 are quoted at 117.

Mr. KITCHIN. Such bonds as you mention could be used to secure national bank circulation or as security for Government deposits, and this added to the value of them.

Mr. FESS. These bonds are not security for national banks?

Mr. KITCHIN. These bonds would not be security for the circulation of national banks.

Mr. JAMES. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. JAMES. Section 201 provides:

That in addition to the taxes under existing laws there shall be levied, assessed, collected, and paid for each taxable year upon the net income of every corporation and partnership organized, authorized, or existing under the laws of the United States, or of any State, Territory, or District thereof, no matter how created or organized, excepting income derived from the business of life, health, and accident insurance combined in one policy issued on the weekly premium payment plan, a tax of 8 per cent, etc.

Has the gentleman thought about the application of that to the building-loan associations?

Mr. KITCHIN. The same kind of insurance companies and building and loan associations that are exempt under the present income-tax law are exempted in the pending bill, and the exemption includes the associations to which the gentleman refers.

Mr. AUSTIN. Will the gentleman yield?

Mr. KITCHIN. Certainly.

Mr. AUSTIN. Is it not a fact that when we discussed the last revenue bill in this House, the Speaker, the gentleman from Missouri [Mr. CLARK], stated that he could take the tariff schedule and write a tariff bill that would produce twice the amount we are now receiving at the customhouse?

Mr. KITCHIN. That is what he said but was referring to normal times, when dutiable imports are unobstructed by war. That is what I said to-day, in normal times.

Mr. AUSTIN. Did the Speaker refer to normal times?

Mr. KITCHIN. We understood that on account of the war the tariff then was not, and is not now, producing the normal amount. We are now receiving only about \$200,000,000 annually. What I understood him to mean was that by a tariff in normal times we could raise about \$400,000,000 and that was the limit. I have to-day taken the same position. As I said a while ago you could do it in normal times but you would have to abandon the Republican policy of the free list, you would have to abandon the Democratic policy of the free list, you would have to tax tea and coffee and hundreds of articles carried on the free list under both Republican and Democratic tariffs alike and would have to increase the duties on manufactured products immensely, in some cases over the Payne or Dingley or Underwood Acts in order to produce the \$400,000,000.

I was in hopes that the gentlemen on the Republican side could join in with the Democrats here and put this bill upon the statute books by a nonpartisan vote, as the fair and equitable thing to do. But from the questions that have been put to me I am certain that they do not want to help us raise any additional revenue, though they vote for and admit its necessity. I hope every Democrat will understand exactly what they are after. They are after forcing this country back into a high protective tariff policy. I hope that no Democrat by his vote on this bill will give them encouragement in that effort. [Applause.]

Gentlemen, this is not a political question. You can make all the politics out of it you want, but when you stand in the face of the facts—in face of the necessity of financing these tremendous appropriations for which you on both sides of the aisle voted, and for which the administration stands sponsor also, and when you consider the impossibility of raising anything like the required amount by a tariff, it is up to you—up to you Democrats, up to you Republicans, to say whether we ought to get it out of the exorbitant excess profits of the profit makers, or whether we should levy it upon the necessities of life and the consumption of the people. Gentlemen, that is the question with which you are face to face. How are you going to vote? [Loud applause on Democratic side.]

Mr. FORDNEY. Mr. Chairman and gentlemen, for 2 hours and 10 minutes we have listened to some very interesting polite vaudeville. Note what the gentleman from North Carolina [Mr. KITCHIN] has said, and then read what the CONGRESSIONAL RECORD will print as his speech, for if we can judge correctly from past experience there will be but little resemblance between the two.

I am going to confine myself for a few moments to some notes I have made, and then I shall cut loose from and endeavor to explain some of the things from a Republican standpoint that have been presented by the gentleman from North Carolina.

Since the enactment of the inefficient tariff act of October 3, 1913, this is the fourth so-called emergency revenue measure to be forced through Congress. It is interesting and instructive, in the consideration of this bill, to go back and refresh our memories in regard to the other three revenue bills and to review the reasons given by Members on the Democratic side of the House for their enactment.

The first was the so-called war tax or stamp tax of October 22, 1914, and the reason then given for the deficiency in revenue receipts was that the war in Europe was causing a loss of imports and customs receipts. The President came into this Chamber on September 4, 1914, and pointed with alarm to the fact that customs receipts for the month of August, 1914, were \$10,000,000 less than in August, 1913. He said the loss was due almost entirely to the war in Europe and not to a change in our tariff laws. Customs receipts for August, 1914, were approximately \$19,000,000, while during August, 1913, which, he neglected to tell us, was under a Republican tariff law, customs receipts exceeded \$30,000,000. But August, 1914, was not the first month that a loss in customs receipts was in evidence. In February, five months prior to the war and when no one believed such a war possible, customs receipts were but \$17,000,000. Why did not this alarm the President? It was \$2,000,000 less than the month of August that caused him such anxiety. For eight months prior to the war customs receipts averaged but \$22,200,000 per month, while the month of August, 1913, which the President evidently assumed to be a normal month, showed receipts amounting to \$30,934,000 from import duties. There is every evidence that the cause for the decline in customs receipts existed months before the war was thought of. It was the Underwood tariff law. That inefficient law, my friends, was the cause of the loss of customs receipts, and the war in Europe was but an excuse for the imposition of that objectionable so-called war tax in the time of peace.

The second revenue bill provided for the reenactment of the stamp tax. It followed the first by some 16 months, and the reason given by the Democrats for its necessity was the continuation of the war in Europe.

The third member of the ever-increasing family of direct taxes was the revenue measure of September 8, 1916. It could hardly be blamed on a loss of imports, for imports during the calendar year of 1916 were over half a billion dollars greater than any previous year in our history. The reason given for that tax was the increased expenditures for the Army and Navy. The report on the bill reads in part as follows:

It is therefore deemed proper that in meeting the extraordinary expenditures for the Army and Navy our revenue system should be more evenly and equitably balanced and a larger portion of our necessary revenues collected from the incomes and inheritances of those deriving the most benefit and protection from the Government.

Now comes the fourth emergency revenue measure, so closely related to the other three. In asking for its passage the Democratic members of the Ways and Means Committee in their report show the increased appropriations for the Army and Navy, fortifications, and so forth, for the years 1917 and 1918 over the year 1916. This new revenue measure is to provide money for all the increased expenditures. However, have they forgotten that the act of September 8, 1916, was to provide for the very same thing? It leads us to wonder if the proceeds of the act of September 8, 1916, were not used for something besides the Army and Navy. And will the proceeds of this act be used for something other than Army and Navy expenditures?

It is indeed hard to believe that the majority Members of this House do not know that the Underwood tariff law is not producing sufficient revenue for the operation of the Government. Fifty million dollars additional customs receipts could be raised on sugar and wool. During the calendar year ending December 31, 1916, \$1,611,952,000 worth of imports were admitted free of duty, while but \$779,763,697 were on the dutiable list.

The fulfillment of campaign pledges is an old-time, threadbare boast of the Democratic Party. The following is a pledge in the Democratic platform of 1916:

We reaffirm our belief in the doctrine of a tariff for the purpose of providing sufficient revenue for the operation of the Government economically administered and unreservedly indorse the Underwood tariff law as truly exemplifying that doctrine.

If the Democratic Party is sincere in this pledge, why resort to these objectionable and ever-increasing direct-tax measures?

This is the fourth emergency revenue measure in less than two and one-half years. If Democrats are going to enact these laws more frequently than one a year, why worry about expenditures for more than a year at a time. In the report on this bill reference is made to the increased appropriations for the Army and Navy for this year and next year. It appears to me that if the increased appropriations for but one year had

been taken, it would not warrant the enormous additional amount of revenue which this bill proposes to collect.

The framers of the so-called excess-profit tax seek to justify the tax on the ground that any firm making more than 8 per cent on the capital invested can well bear additional taxation. I have in mind some firms that have had some pretty lean years. They are in debt and are not very hopeful for the period to follow the ending of the war in Europe. These firms will pay no dividends this year, but will pay this excess-profit tax. I believe there are many firms not on a sound financial basis that will be hit by this proposed law.

However, the greatest objection to this tax is not that it is oppressive, but that it is an additional attempt on the part of the administration to repudiate the policy of a tariff for protection. It is a refusal to recognize the revenue-raising possibilities of an adequate tariff law. It is a refusal to aid American industries in meeting changed conditions throughout the world that will follow the war in Europe. It is a declaration by Congress that American labor and American manufacturers must face ruinous competition from abroad without adequate tariff protection. It means a return of conditions that prevailed in this country prior to the war in Europe. It means business depression, financial failures, and men out of employment.

In the preparation of the bill advice and suggestions from Republicans was neither sought nor considered. Republican members of the Ways and Means Committee were given no opportunity to formally confer with the majority members, and Republicans should decline to accept the responsibility for the bill.

On account of the wonderful industrial activity throughout the world, occasioned by the war in Europe, manufacturing establishments in America have prospered and progressed in spite of adverse legislation. The progress will continue until the ending of hostilities in Europe. When peace does come, I believe America will awaken to very changed conditions throughout the world. Europe will have but little to buy from us and much to sell. Keen competition will exist and the struggle for commercial and industrial supremacy may find America woefully unprepared. Men who now seek to heap all the taxes upon industry will then realize the mistakes now being made. It will be argued that this is a tax on the rich; that it is a tax on excess profits. But, whatever it may be called, it is a direct tax, and will be reflected to some extent upon the cost of living. America needs a protective tariff to meet conditions after the war, and it is hard for me to conceive that our Democratic friends do not realize this fact. Since coming into office it has been their chief aim to repudiate the policy of protection. Additional revenue can be raised with ease by means of an adequate tariff law. The real big objection to this revenue bill is that it is a further attempt on the part of the party in power to repudiate the policy of protection. They ignore the revenue-raising possibilities of a tariff law. It is a refusal to consider the question of industrial preparedness to meet after-war conditions. Their refusal to consider the question of increasing tariff rates, whether they choose to call it for revenue or for protection, or both, is very menacing to American prosperity. The platforms of the Republican and Progressive Parties contained pledges for the establishment of an adequate tariff law. I am so convinced as to the correctness of our tariff policy that I believe it our duty to fight for it whenever opportunity is offered.

Mr. Chairman, a statement was made in error this morning about the amount of bonds to be issued by this administration. The gentleman from North Carolina stated that there are \$220,000,000 of Panama bonds yet unissued. The fact is, the Treasury statement which I received this morning, giving the condition of the Treasury at the close of business on Saturday night last, shows that \$240,569,000 of Panama Government bonds remain yet unsold.

Mr. HELVERING. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. HELVERING. Of course, the statement was made to the gentleman yesterday as to that proposition that a certain amount of these had been set aside to meet expenses of the Postal Savings act, which reduced the amount to two hundred and twenty-one million and odd dollars.

Mr. FORDNEY. I beg the gentleman's pardon, but those bonds have not been sold. If so, your Treasury statement is false, because it says those bonds were yet unsold on Saturday night.

Mr. HELVERING. Not sold.

Mr. FORDNEY. Then why do you say that those \$22,000,000 have been disposed of?

Mr. HELVERING. I said they had been set aside to be disposed of for that purpose.

Mr. FORDNEY. But they have not been set aside, and they ought not to be set aside for that purpose. Those bonds were issued to be sold for the purpose of raising revenue to construct the Panama Canal.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. In just a minute. Under a Republican administration, prior to the 4th of March, 1913, \$165,820,000 was paid out of the general funds of the Treasury on account of the Panama Canal; \$134,000,000 of Panama bonds were sold, on which \$138,600,000 was received. Since March 4, 1913, the Democratic administration has expended \$106,300,000 for this account, which makes a total to date of \$410,720,000 spent on the Panama Canal. Further, when the Republican Party went out of power upon the 3d day of March, 1913, and turned over the Treasury to the Democrats there was \$126,664,000 in the Treasury over and above all liabilities of the Government, including in the liabilities all money on hand to redeem national-bank notes. You have not spent as much money on the Panama Canal as we left you in the Treasury; and, moreover, the Treasury statement of Saturday night shows \$112,000,000 of liabilities in the Treasury, not including warrants outstanding in the hands of disbursing officers amounting to \$74,375,000 and \$51,301,000 on deposit to redeem national-bank notes and the outstanding Treasurer's checks, which vary from three to eight million dollars. These items are not real assets, but are liabilities. Using the same method of bookkeeping employed to show the balance of \$126,664,000 on the 3d day of March, 1913, would show the total liabilities of the Treasury on Saturday last to be \$242,989,000, with total assets on hand of but \$205,000,000 to meet those liabilities. Therefore, on Saturday night you had a deficit of \$37,109,000, and in addition to that you have expended the money we left you. You are getting along fine with your finances, are you not?

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. I do.

Mr. MOORE of Pennsylvania. Does the gentleman object to having the gentleman from Kansas [Mr. HELVERING] state for what purpose the \$22,000,000 of Panama Canal bonds were set aside?

Mr. FORDNEY. I would be very glad to have the gentleman state what they were set aside for.

Mr. HELVERING. The gentleman contends there are \$240,000,000 of Panama Canal bonds which the statement shows have not been sold. I simply rose to say that that amount was not available, and the amount carried in the report is \$220,000,000, because some of this money is intended to be used for the purpose of carrying forward the postal savings act which we enacted in the last Congress. That is the statement made to the committee by the Secretary of the Treasury.

Mr. SMITH of Michigan. There were only \$9,000,000 set aside for that purpose.

Mr. FORDNEY. No matter whether it is \$9,000,000 or \$22,000,000, it is money that the Democrats owe, and they will not be able to pay it until bonds are sold. It is a Democratic ailment, however. They never have been in power for the last 55 years that they did not issue Government bonds, and not to pay for some permanent improvement but to pay the ordinary running expenses of the Government. [Applause on the Republican side.]

Mr. FARR. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. FARR. The Chairman of the Committee on Ways and Means [Mr. KITCHIN] made the statement that if the Republican Party had been in power, under its policies of protection, there would be at this time a deficit in the Treasury of about two billions of dollars. Will the gentleman state how under Republican policies we would have gotten the revenues even to meet the additional expenses for preparedness?

Mr. FORDNEY. I will. The average ad valorem rate of duty collected during the last calendar year under the Underwood tariff law was 9½ per cent on all imports, dutiable and free. The average ad valorem rate during the entire life of the Payne tariff law was 19½ per cent, or about two and one-half points below the ad valorem rates in the Wilson Democratic tariff law, about which we complain so much.

And yet it has been said by our Democratic friends that the rates in the Payne tariff law were excessively high. During this last calendar year, in answer to the gentleman's question, our imports were \$2,391,716,000. If the Payne rate had been in

effect during the calendar year 1916—an average ad valorem of 19½ per cent—there would have been placed in the Treasury of the United States as customs dues on those goods \$467,940,000, which is \$250,851,000 more than the amount collected under the Underwood tariff law. [Applause on the Republican side.]

Mr. HELVERING. Will the gentleman yield?

Mr. FORDNEY. Yes, sir.

Mr. HELVERING. I want to ask for information. Is that figured upon the rates that applied under the Payne-Aldrich law upon the articles imported and the rates they bore?

Mr. FORDNEY. It is the average ad valorem rate during the entire life of the Payne tariff law, four years or thereabouts.

Mr. HELVERING. But as a matter of fact the articles bearing a higher rate of duty have not been imported during the last year. Is not that true?

Mr. FORDNEY. Oh, yes; they were imported; I beg the gentleman's pardon, and in addition let me say that in the calendar year 1916 our imports were \$571,000,000 greater than any previous year in the history of the Republic, notwithstanding the fact that the war is on in Europe and none of those products came from the central powers of Europe.

Mr. WM. ELZA WILLIAMS. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. WM. ELZA WILLIAMS. What proportion of the \$571,000,000 was dutiable under the Payne-Aldrich bill?

Mr. FORDNEY. About 51 per cent under the Payne law and 69 and a fraction under the Underwood tariff law. The gentleman from North Carolina [Mr. KITCHIN] a few moments ago said in his speech that everything in the Underwood tariff law that is on the free list was on the free list in the Payne tariff law. He is in error. There were at least 500 items in the Payne tariff law on the protected list that were put upon the free list in the Underwood tariff law, and but very few items on the protected list in the Underwood law were on the free list during the life of the Payne tariff law.

Now, the gentleman said a few moments ago, in answer to a question presented by my beloved friend, the gentleman from Ohio [Mr. FESS], that increased duties on imports would add to the cost of the article to the consumer. Time has proven that the gentleman is in error. Every time that by a protective tariff law we have established and fostered an industry in this country producing an article that comes in competition with foreign imports, it has proven that keen competition at home lowers the price of that article in our own markets. [Applause on the Republican side.] As an illustration, when the McKinley law put a duty upon tin our Democratic friends in a vague proposition fitted out hucksters in the States of Ohio, Indiana, and southern Michigan and sent them over the country to buy the farmers' products, butter and eggs, and exchange for them tin products, and when the price of the article made of tin was presented to the housewife, in holy horror she said, "Why, you are asking twice what I paid for the article heretofore. What is the reason?" The reply was, "Why, the McKinley tariff law did it." Democrats did this to deceive the people and succeeded.

Mr. EMERSON. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. EMERSON. That is the way President McKinley was defeated, I understand?

Mr. FORDNEY. That is the way President McKinley was defeated for Congress just after the enactment of the McKinley tariff law. Now, the fact is, and I know it and you know it, and every honest man will admit it, from the very day that we placed upon our statute books the McKinley tariff law, fostering that industry in the United States, the price of tin has gone down [applause on the Republican side], and under normal conditions, before the war in Europe, the price of tin in this country was not more than half what it was before the enactment of the McKinley tariff law.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. I will be glad to do so.

Mr. FESS. Is it not also a fact that instead of buying tin from Europe we have become exporters of tin?

Mr. FORDNEY. Yes, sir; and we have now become a great manufacturing country in tin and we have exported tin ever since. There is one proof that the gentleman's statement is in error. Another statement: Before we began the production of steel rails in the United States the railroads of the State of Michigan paid \$110 per ton for steel rails imported from Europe. To-day there is a uniform price—and it has been kept uniform for years—of from \$26 to \$28 a ton, which yields a handsome profit to the steel mills producing it. It does not make any difference what article—the gentleman said the clothing of England was not taxed. The article in common use by the people he intimated was not taxed. We now have abnormal conditions owing to the war. Prior to the war in Europe England had

four-tenths of 1 cent per pound duty on sugar. To-day the English Government imposes 3 cents a pound on imported sugar going into England. What is this? A war tax, of course it is; but prior to the war in Europe, gentlemen, although the Republican Party, as one of its cardinal principles, was never to put a tax upon any noncompetitive product, Great Britain, Canada, and France have had import duties on coffee of from 8 to 10 cents a pound, green, and 14 cents a pound when roasted, and 10 cents a pound on tea. The Republican Party never imposed a duty on tea or coffee except as a war measure during the Civil War and shortly after. The Tariff Board's report, in answer to the gentleman about clothing, showed that on the grades of woolen goods which they ran down and purchased in England, 16 samples of woolen goods, of medium grade, out of which clothing is made for the common people of this country, they found a duty under the Dingley and Payne tariff laws of 184 per cent ad valorem. The board purchased those samples, 16 in number, and brought them into this country, and found upon paying the duty those goods cost them \$1.18 a pound in the cloth.

But they found that the protective tariff on that article had so fostered the industry in this country that we were not only producing all those goods that we consumed in this country, but actually exporting some, and this grade of cloth was sold for 69 cents a pound instead of \$1.18 a pound, which would have been the price had they been imported and sold at their imported cost duty paid.

Mr. BUTLER. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BUTLER. I thank the gentleman very much. I remember the answer which the gentleman made to the question propounded to him by my colleague from Pennsylvania [Mr. FARR]. May I ask the gentleman to pursue that very interesting answer a little further? How could we, if the Republican Party had been in power, have provided the revenue that was necessary to take care of these large expenditures which this Congress has made?

Mr. FORDNEY. I will answer that in this way: Taking the imports as they have come under the Underwood tariff law during the war in Europe—and the war in Europe has given us a greater protective tariff wall than was ever enacted by the Republican Party—in most articles of competition to-day we need no tariff at all. The prices are so abnormally high that our institutions need no protection while the war in Europe lasts. What you and I must guard against are conditions that will prevail after this war is over. And had we the Payne rates of duties in force and effect since the war in Europe, we would have had in round numbers \$500,000,000 more in customs dues. [Applause.] If we had collected that much money from customs receipts we would have no necessity for this painful, unjust, and discriminating tax upon a few of the people.

Mr. WM. ELZA WILLIAMS. May I ask the gentleman a question just there?

Mr. FORDNEY. Yes, sir.

Mr. WM. ELZA WILLIAMS. How do you arrive at that \$500,000,000?

Mr. FORDNEY. The difference between the ad valorem rates under the Underwood law and the average ad valorem rates collected under the Payne tariff law. If you take the imports and multiply by the average ad valorem duty collected under the Payne law it will give you those amounts, or thereabouts.

Mr. WM. ELZA WILLIAMS. I understood the gentleman to say that of this \$571,000,000 excess under the Payne-Aldrich bill 51 per cent were on the free list. That would leave about \$285,000,000 of dutiable goods, and at an average rate of something like 38 cents that would be about \$100,000,000 annually. The war has been running two years, and how would you raise—

Mr. FORDNEY. On the imports of last year with the Payne rate of duty we would have collected, as I stated a few moments ago, \$248,794,000 in addition to the amount that was collected, namely, \$217,000,000.

Mr. WM. ELZA WILLIAMS. I understood your statement, but I could not understand on what you base it.

Mr. FORDNEY. Here are \$248,000,000 in 12 months. Your tariff law has been in operation over three years. Three years like the last one would mean a considerable amount of additional revenue.

Mr. WM. ELZA WILLIAMS. Just one more question. But you assume, do you not, that the same goods would have come in in the same proportion and the higher rates would have been paid on these goods?

Mr. FORDNEY. During the war, my good friend, I do not believe there would be any difference in our imports. Under normal times certainly I would expect that not so many imports would come in had we had the Payne tariff rates upon our

statute books, but the war has brought about abnormal conditions all over the world. For instance, wool, that paid 11 cents a pound under the Payne tariff law, is now on the free list.

Mr. WM. ELZA WILLIAMS. I understand the gentleman that these abnormal conditions have shut out that class of goods that paid the highest tariff, and how can the gentleman reason that we would have gained an excess of \$300,000,000 a year, or a total of \$500,000,000 since the war commenced?

Mr. FORDNEY. You have a war, my friend. I am talking about how much money you would have collected during the life of this Underwood bill because of the war in Europe, and not what will happen after the war is over. Now is the time we are talking about and not the future. I do say, and I believe, and I am firmly of that belief, that in normal times the protective tariff does exclude from our market many cheaply made goods from Europe.

Mr. MOORE of Pennsylvania. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Pennsylvania?

Mr. FORDNEY. I do.

Mr. MOORE of Pennsylvania. Did not the Democrats in passing the Underwood law declare long before the war that they intended to cut the customs revenues more than \$100,000,000 a year?

Mr. FORDNEY. Oh, yes.

Mr. MOORE of Pennsylvania. And is it not true that the imports have been increasing constantly since the war?

Mr. FORDNEY. Yes. The \$100,000,000 referred to was based on the importations under the Payne tariff law, not the imports under this Democratic tariff law. I say that if under this Underwood tariff law during this time we had collected the Payne tariff rates, we would have collected in round numbers \$500,000,000 more than we have collected, and the figures prove it.

Mr. BUTLER. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BUTLER. If the gentleman will permit me, I am not down here for merriment or buffoonery at all; I am here to vote for some sort of a measure that will enable us to make good that which is wrong in the Treasury. Has the gentleman in his mind the figure that this extra preparedness has occasioned?

Mr. FORDNEY. I have, yes; in a way.

Mr. BUTLER. And if we had been economical and had avoided these other extreme exactions upon the Treasury, could we not have paid under our ordinary revenue and customs for this extra preparation?

Mr. FORDNEY. Yes, sir. Let me call the gentleman's attention to the extraordinary expenditures which are unnecessary, in my opinion.

Mr. BUTLER. Very well. I wish you would.

Mr. FORDNEY. Our Democratic friends have passed through this House a bill for an armor-plate plant and authorized an appropriation of \$11,000,000.

Mr. BUTLER. And I am creditably informed by men who ought to know that that proposal would cost nearly \$20,000,000.

Mr. FORDNEY. Oh, there is no doubt of it. Now, my friend, that item is not necessary at this time, for this reason: It was shown on the floor of this House last year, and was clearly presented by my colleague from Michigan [Mr. KELLEY], that there are three armor-plate plants in the United States, the capacity of which is 32,000 tons of armor plate per year. We have consumed for many years past an average of about 10,000 tons of armor plate, so that the armor-plate plants in the hands of private corporations in this country are ample in capacity to supply us three times the amount of armor plate that we have been using.

It has been further shown that the Government of the United States has purchased its armor plate cheaper than any country in the world. Further than that, the owners of those plants say to the Government, "Do not build your Government plant, but come here and make a thorough examination of our costs, and we will accept the price that any commission fixes that you may send here, and furnish the armor plate at that rate per ton." Therefore, I say there is absolutely no necessity for this \$11,000,000 appropriation.

Again, a nitrate plant at \$20,000,000, to make fertilizer for the southern farmer, and nothing else under God's heaven—it is absolute folly to talk about anything else; that is what it will do, and nothing else. That is \$20,000,000 more that is absolutely unnecessary.

Further, our Democratic friends have passed a ship-purchase bill under which they propose to spend \$50,000,000 to establish a merchant marine on the high seas.

Briefly let me tell you how absolutely foolish, silly, and nonsensical such a proposition is at this time. I can prove it to you, in my opinion—to my own satisfaction, at least. I know of two steamships, both English built. One was brought in under the American flag bearing my name, the *Joseph W. Fordney*. It cost \$238,000 about 12 years ago. Some 60 days ago that ship was sold for \$1,000,000 cash. I am sorry I had no interest in it. [Laughter.] The other, the *Robert Dollar*, another English-built ship, cost a like sum of approximately \$238,000, and it was sold in March, 1916—10 years old, mind you—for \$1,300,000 cash to an English firm.

Mr. Cramp, of the great shipbuilding concern of Philadelphia, several years ago before the Committee on the Merchant Marine and Fisheries, when I was a member of that committee, made this statement, that in the construction of a ship in this country nine-tenths of her total cost was labor and 10 per cent raw material. In fact, gentleman, at least 90 per cent of the total cost of any manufactured article in America is labor.

Now, how about our labor in this country and abroad? Last fall I obtained from American consuls statements of the wages of skilled labor in England, France, and Japan, and as to the United States I got the information directly from the shipyards here, and this is what I found: Day wages of skilled labor in England last year, mind you, was \$9 a week, and when working by piecework, \$11.13. In the shipyards of Japan, owing to the activities of the shipyards there, wages had recently been advanced 10 per cent, and in December, 1916, Japanese skilled labor in their shipyards received 70 sen per day, or 34.9 cents in gold. In the United States our skilled labor received \$18 a week, or \$22.50 per week when working at piecework—double the wages in England, and ten times as great as in Japan.

Now, when 90 per cent of the cost of the construction of a ship is labor, and our labor cost is double that of any labor in any country in the world, how can we build ships and compete with the people across the sea?

In addition to that, gentlemen, under our marine laws the officers of our ships under the American flag, both in the coastwise and the foreign trade, must be citizens of the United States. We can go into any other country in the world and employ the balance of our labor, as every other country in the world permits the owners of their ships to do, except that when England pays an admiralty subsidy their officers must then be citizens of England. But our American citizens as officers on board those ships will not work with the foreigners unless the foreigners get the American scale of wages. I have in mind three ships, gentlemen, the *Robert Dollar*, the *Masama Maru*, and another whose name I have forgotten, all owned by the Dollar Steamship Co. The horsepower of the ship measures the expense to a greater extent than the actual gross tonnage, and in these three ships the horsepower was almost identically the same, all about 410 horsepower, and the annual labor cost of the ship under the English flag as compared with the ship under the American flag was \$23,800 a year for the English ship less than the ship under the American flag, and the annual labor cost of the Japanese ship under the Japanese flag \$29,700 less than the ship under the American flag.

Now, taking into consideration the difference between our cost of construction and our labor cost and operating cost, and the fact that nearly every country in this world pays a subsidy to its ships except the United States, it is absolute folly to think that an American citizen can engage in foreign shipping and compete with any country in the world. [Applause on the Republican side.] Therefore, gentlemen, the \$50,000,000 that you propose to spend in this ship-purchase bill is absolutely thrown away.

In addition to that there is another unnecessary expenditure—

Mr. FESS. Mr. Chairman, will the gentleman yield right there?

Mr. FORDNEY. Yes.

Mr. FESS. What is the practical effect? Where can we buy any ships and where can we build any ships just now?

Mr. FORDNEY. I have demonstrated to you that if you go into the markets of the world and buy ships you will pay four or five times the price that they would sell for in normal times. I have shown that by demonstrating to you that one ship was sold for a million dollars which cost \$238,000, and another ship, which cost about the same amount, \$238,000, was sold for \$1,300,000, and she was 10 years old.

Now, under those circumstances do you believe it is practicable—do you believe that sane, sensible men will go into the markets of the world and attempt to buy ships now to establish a merchant marine to compete with the Japanese and other foreigners?

Mr. FESS. That is out of the question. Where can we build them?

Mr. FORDNEY. We can build them at home at an additional cost over normal times and at an additional cost even in normal times.

Mr. FESS. Are not all the American shipyards crowded now?

Mr. FORDNEY. I believe they are.

Now, further than that, gentlemen, here is \$162,000,000 spent on the Mexican border to catch Villa; and did they catch him? No. I believe there were plenty of regular troops to patrol the border, without sending our State Militia down there and spending this \$162,000,000. [Applause.] But with your slogan that you kept us out of war, with this \$162,000,000, and the money raised by the Democratic Party, you elected a President.

Mr. DENISON. Will the gentleman yield for a further question?

Mr. FORDNEY. Yes.

Mr. DENISON. This question is suggested by the one propounded by my colleague from Illinois [Mr. WM. ELZA WILLIAMS]. The gentleman from Michigan has stated the additional revenues that would have been collected under the Payne-Aldrich rates.

Mr. FORDNEY. Yes.

Mr. DENISON. I want to ask the gentleman, in arriving at those figures that he gave a while ago, did he consider the actual imports that have come into the country during the last two years and the actual rates under the Payne-Aldrich bill?

Mr. FORDNEY. I took the actual imports under the Underwood tariff law and the amount collected under the Underwood tariff law, and then, applying the average rates under the Payne-Aldrich tariff, 19½ per cent, showed the difference that would be collected between the two laws. There is no question about the correctness of that.

Now, let me tell you another thing. The gentleman said, "How would we raise this money to meet this extraordinary situation?" I will tell you how we would raise it if you left it to us. We would adopt a reasonable, correct, equitable, protective tariff, the best that men's judgment could frame, and then, for this extraordinary expenditure in our Navy, we would undoubtedly issue bonds for that. [Applause on the Republican side.] That is what we would have done; and when we built the Panama Canal it was intended it should be built out of the proceeds of the sale of bonds, because our children and grandchildren and great-grandchildren will enjoy the Panama Canal, and it is only reasonable that bonds should be issued for the construction of that canal. If those things I have mentioned were paid out of the proceeds of bonds, a protective-tariff law would yield you more money than is necessary for all those other extravagances that you have put upon the people. Now, let me tell you something, gentlemen. I am not revealing any secrets. If it is within the power of the Republican Party, and I believe it is, within the next three or four weeks, by the best judgment of men on our side of the House, we will present to this House a protective-tariff measure for your consideration. [Applause on the Republican side.] We can not prepare it as scientifically as we could if we had extended hearings and got the exact existing conditions on many articles on which the rate of duty ought to be changed, but we can get somewhere near the correct rate of duty on imports, and if it is in our power to prepare it and present it in time we can show you that it would raise a sum in addition to what you are raising sufficient to meet all these normal expenses of the Government. I am ready to work overtime to help prepare that bill, and I know there are many gentlemen on that side of the House who would rather vote for a bill of that kind to-day or to-morrow than for the bill now before the House.

Let me say another thing. Just before the election in November last, on the second Thursday before election, the President of the United States was quoted as saying in a speech at Cincinnati that the great increase in our foreign commerce was due to the war to the extent of not to exceed 1 per cent. That is what he is quoted as saying.

Mr. LONGWORTH. If the gentleman will permit, it was 4 per cent.

Mr. FORDNEY. In the paper from which I took the report he said 1 per cent.

Mr. LONGWORTH. Well, that is only a little worse.

Mr. FORDNEY. Here are the exports, a few of them, which went to the battle fields of Europe in large quantities. This list includes food, clothing, equipment, ammunition, and so forth. The increases in exportation of the same was due to the war.

Aluminum, we sold the last year of peace, 1913, \$966,000 worth. During the calendar year 1916 we exported \$14,100,000 worth.

Was that not for the battle fields? Where are they using aluminum in Europe if it is not in the manufacture of articles for war?

Aeroplanes, we exported in the last year of peace, \$86,000, and last year \$4,000,000.

Automobiles, \$27,000,000 the last year of peace, and last year \$121,600,000.

Brass and manufactures thereof, going into ammunition, \$7,900,000 the last year of peace and \$315,000,000 this last year. That went to the battle fields, did it not?

Breadstuffs, the average exports from this country for a number of years prior to the war were \$203,000,000 per annum, but last year they were \$463,000,000. The war had something to do with those exports, had it not?

Cars for railways, chiefly to Russia, \$5,400,000 in the last year of peace, and in 1916, \$23,000,000.

Chemicals, largely used in making explosives, \$26,700,000 in the last year of peace and \$165,000,000 now.

Copper, \$143,000,000 before the war and \$226,000,000 now.

Explosives—which are not articles of household use in Europe—\$5,500,000 during the last year before the war, and in 1916, \$721,000,000, or nearly 14 per cent of all our exports, when our good President said that all of the things that went to the battle fields of Europe amounted to but 1 per cent. Nearly 14 per cent of all our exports were explosives last year. He knew better or he did not know. He got his figures from the Secretary of Commerce, a Democrat, I suppose.

Mr. LONGWORTH. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LONGWORTH. I merely wanted to ask him to explain what proportion of our total exports were made up of that list of articles?

Mr. FORDNEY. When I conclude the items I am going to state that.

Horses and mules, \$5,000,000 in the last year of peace and \$89,000,000 last year.

Sugar, \$1,800,000 before the war and \$96,000,000 now. Before the war England purchased her sugar from Germany; she buys it here now.

Meat and dairy products, \$160,000,000 before the war and \$307,000,000 now. Do you not think the war had something to do with that?

Leather, \$59,000,000 before the war and \$157,000,000 now.

Mr. WM. ELZA WILLIAMS. The gentleman has stated in substance what President Wilson is reported to have said. Can the gentleman state his exact words and quote the words that the President used in the speech referred to?

Mr. FORDNEY. Not without the paper; but that is the substance of it—that but 1 per cent of our great foreign commerce was due to the war in Europe.

Mr. WM. ELZA WILLIAMS. I question the accuracy of the gentleman's information. I do not remember it that way, by any means.

Mr. GOODWIN of Arkansas. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. GOODWIN of Arkansas. The gentleman said he read the speech in a paper which quoted the President as saying 1 per cent.

Mr. FORDNEY. One per cent—that was in the Detroit Free Press.

Mr. GOODWIN of Arkansas. And the gentleman from Ohio [Mr. LONGWORTH] said he saw where it was stated at 4 per cent.

Mr. FORDNEY. Yes.

Mr. GOODWIN of Arkansas. Now, the gentleman says that the correct figures are 14 per cent.

Mr. FORDNEY. Oh, no; I beg the gentleman's pardon. I said the explosives alone were 14 per cent. The gentleman can not throw me off the track that way.

Now, of cotton manufactures before the war the exports were \$55,000,000; now they are \$127,000,000.

Woolen manufactures, the normal year and the average for many years before the war were \$4,500,000; now, \$39,100,000. By the way, in the calendar year 1915 our exports of woolen goods were \$54,000,000, or \$15,000,000 more than last year.

Zinc and its manufactures before the war, \$1,100,000; now, \$59,500,000.

Now, listen: Iron and steel, much of which went abroad as shrapnel, cannon, and guns, and all other kinds of munitions, steel explosives, amounted to \$893,849,000 last year, and the last year of peace, \$221,000,000. And yet the President talks about 1 per cent of the total!

Of these articles, 17 in number that I have mentioned, the last year before the war we exported \$1,002,000,000 worth; for the calendar year of 1916 we exported \$3,779,000,000 worth, an excess over the last year of peace of \$2,776,958,000, or over 66

per cent of all of our imports. [Applause on the Republican side.] And yet in all other exports there has been a falling off. How near was the President right?

Now, gentlemen, I have taken up altogether too much time.

Mr. FESS. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. FESS. I have just sent for the Cincinnati Enquirer reporting the President's speech in the latter part of October. I am sure he said 1 per cent, for I took issue with him the next day. I want to state that the word, as I recall it, was "munitions," and as it excluded all other war exports except the munitions he probably was correct, for munitions would be firearms, guns, powder, explosives, not including dynamite.

Mr. FORDNEY. Why, the explosives alone exported were \$720,000,000 out of a total of \$3,700,000,000—more than 13 per cent in explosives alone. That does not include all articles of warfare.

Mr. LONGWORTH. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LONGWORTH. I want to say that I read the statement in the Cincinnati Enquirer, and it said 1 per cent. That seemed so impossible that I asked a number of gentlemen who heard the speech, and they told me that the President said 4 per cent of all the exports, munitions, and so forth.

Mr. FESS. What I wanted to make plain was that the statement was entirely misleading to the American public, because we have not been talking about munitions, but war orders; and he excludes nine of the classes when he confines it to munitions. I think, with all due respect, that it was misleading to the public.

Mr. FORDNEY. At all events, the people at the polls 10 or 12 days later took him at his word as being correct and elected him President of the United States. He is our President now; he is my President. I may agree with him sometimes, but I certainly disagree with him on the manner of raising the revenue for the running expenses of this Government that is wholly impracticable from a democratic standpoint.

Your Underwood tariff law has been an absolute failure as a revenue producer, and you have twice had to resort to direct, oppressive, and discriminating taxes. You can raise any amount of revenue. The wealth of this country is very great. We could pay heavy taxes and still have plenty to buy bread and butter. Since 1860 under a protective tariff law the wealth of the United States has gone up from \$16,000,000,000, as shown by the census of 1860, to \$190,000,000,000, or \$174,000,000,000 increase under the influence of protective-tariff laws [applause on the Republican side], and we had a most disastrous civil war during that time. Great Britain and Germany combined have only \$162,000,000,000 of wealth, or had prior to the war, and they had several centuries the start of us. Therefore I say this great accumulation of wealth in the United States is very largely due to the policy of the Republican Party in the last half century. [Applause on the Republican side.]

Mr. GOODWIN of Arkansas. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. GOODWIN of Arkansas. I believe that the same statistics show the wealth of this country increased during the first three years of the Wilson administration \$43,000,000.

Mr. FORDNEY. The gentleman does not mean to convey the idea to the American people that the increase in our exports since the war has been declared is due to the legislation on the part of the Democratic Party? If so, say so now.

Mr. GOODWIN of Arkansas. The increase has been under a Democratic administration.

Mr. FORDNEY. I have shown you that more than two-thirds of all the exports have gone to the battle fields of Europe, and that in all the other exports there has been a falling off. Is the Democratic Party responsible for the war in Europe? If they are, they are entitled to the credit of these extraordinary exports. [Applause on the Republican side.]

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. MOORE of Pennsylvania. Is not the gentleman from Michigan taking the gentleman from Arkansas too seriously, or does he think that the gentleman agreed with the President when he changed front on the tariff and came out for a tariff commission?

Mr. BUTLER. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BUTLER. I want to learn a little more. There is one thing to be said about the gentleman from Michigan, and that is he is serious, and it is necessary to have seriousness in this discussion. Did the gentleman from Michigan make any comparison of the income that we would have received in the year

1915 if we had continued the Republican legislation? The gentleman made the statement for 1916; how about 1915?

Mr. FORDNEY. I only compared the increased revenue to the Government from a protective-tariff law.

By the way, our Democratic friends have repealed many of the stamp taxes, direct internal-revenue taxes, that we had upon our statute books when they came into power, and we would have received much more in that direction than the amount I have mentioned from an import duty. There is a deficit now of \$37,000,000 in the Treasury, and no man can deny it, though under their bookkeeping it is not shown; but if any national bank in the country adopted similar systems of bookkeeping the bank examiners, under the direction of the Secretary of the Treasury, would have every mother's son in the bank in jail in 24 hours for fraudulent bookkeeping. In addition to the \$37,000,000 now shown as a deficit, when we come to add up the assets we find one of \$12,535,000, money in the Treasury received from the Government of Greece for the sale of two battleships. That is in the Treasury as a part of miscellaneous receipts, although the act that authorized the sale of those ships provided that that money must be expended in the construction of a great dreadnaught, which has not yet been built, and the money is gone.

Mr. FESS. Mr. Chairman, what is the attitude of all the European powers now toward the protective tariff?

Mr. FORDNEY. Prior to 1879 Germany adopted practically the English tariff law. When Bismarck appeared before the men in power he said, "I notice across the sea the people of the United States that have adopted a protective tariff law to protect themselves against the imports of cheap labor are prosperous, and that we are going back," and he recommended an increase of tariff rates on German goods, and immediately it was put into effect, and Germany prospered from that time on down as no other country in the world, except the United States, ever prospered; and the poor people of England have not increased in wealth. They are poor yet.

Mr. FESS. What is the attitude of the 5,000,000 members of the English Federation of Labor, as announced in September last?

Mr. FORDNEY. I do not remember seeing that.

Mr. FESS. They recommended a protective tariff for Great Britain.

Mr. FORDNEY. My friends, let me say briefly that I am a Republican, without any apology, because I believe in Republican principles, and when you produce an article in this country that represents a dollar in labor costs, and your competitor across the sea can produce the same article with a labor cost of 50 cents, it is evident to every fair-thinking man that your competitor will put you out of business unless you are given protection sufficiently high to bring up his cost to your cost. If not, he will come into our markets and capture them, and I want to remind you that of the \$30,000,000,000 worth of stuff that we produced in the factory and on the farm last year, notwithstanding our great exports sent abroad, more than 90 per cent was consumed in the United States. The United States is the best market for American-made goods that there is in the world. Why give it to the foreigner and send your laboring men to the street corners where, as in 1894, 1895, and 1896, they sit on boxes around the grocery stores and whittle sticks to pass time away. In those years a laboring man would go home and have his wife prepare a Cleveland badge for him. I heard a man once ask a lady what a Cleveland badge was, and she said, "Oh, my, how ignorant you are. A Cleveland badge is a patch about 8 by 10 upon the seat of your pants." [Laughter.]

Mr. RAINEY. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. RAINEY. Does the gentleman mean that if we had continued in force the Payne-Aldrich Tariff Act it would have met the present emergency?

Mr. FORDNEY. It would have met the present emergency except for the extraordinary expenditure in building up the proposed greatest Navy in the world and the increase in the Army. Going along as we were at that time, spending \$145,000,000 a year upon our Navy and about \$100,000,000 a year upon our Army, the protective law would have yielded to us a sufficient amount of revenue without the raising of taxes by this direct income tax, as you are raising them.

Mr. WM. ELZA WILLIAMS. If that would have met the ordinary expenses, how would the gentleman have provided for the extraordinary expenses?

Mr. FORDNEY. I have stated that before, though perhaps the gentleman was not present. I believe that the Panama Canal should have been constructed by the proceeds of the sale of Government bonds, to be placed upon our children, much of

it, and our grandchildren in coming generations. If it be necessary—and I voted for it—to increase our great Navy, then I would vote to issue Government bonds to build that extraordinary Navy; but the method of raising revenue by the protective tariff would have taken care of the other necessary expenses of the Government, if we left off those foolish propositions which you have enacted into law, wholly unnecessary at this time.

Mr. FARR. That would have included the additional cost for preparedness?

Mr. FORDNEY. Oh, yes.

Mr. FARR. We would have raised enough to do that?

Mr. FORDNEY. Oh, yes. I have stated that going along as we were, spending \$100,000,000 a year upon our Army and about \$145,000,000 upon the Navy, we would have had plenty of revenue without resorting to any special taxes. [Applause.]

Mr. QUIN. Mr. Chairman, the gentleman classes as amongst the list of foolish items the \$162,000,000 for the Mexican border expenses?

Mr. FORDNEY. I think that was an absolutely useless expenditure, because our Regular Army could have preserved peace, and you could have gotten just as near to capturing Villa as you have with the State Militia. [Laughter.]

Mr. QUIN. I wanted to ask how you would have prevented that expenditure?

Mr. FORDNEY. I have said, and will repeat, that we had sufficient national troops to do it without all of this expenditure of \$162,000,000 in sending the boys from the various States of the Union down there to the border.

Mr. BUTLER. Will the gentleman yield?

Mr. FORDNEY. I do.

Mr. BUTLER. The gentleman understands, of course, that Pershing is to withdraw from Mexico, and his troops are to be placed on the border, and that the State troops on the border are to be sent home. Why could not they furnish the protection necessary with the Regular Army?

Mr. FORDNEY. I want to say further, when Pershing was directed to go into Mexico he went 126 miles down into Mexico and reported that Villa was but 40 miles away, and the War Department said, "You stop right where you are." [Laughter.]

Mr. EMERSON. I would like to ask the gentleman a question. The State troops were ordered to participate about the time of the Democratic national convention, and was it not at that time considered a matter of political expediency?

Mr. FORDNEY. I said at that time it was to elect a Democratic President, and it turned the trick. [Applause on the Republican side.]

Mr. QUIN. Was not that a good investment?

Mr. MILLER of Pennsylvania. Will the gentleman yield for a question?

Mr. FORDNEY. Yes; one more question.

Mr. MILLER of Pennsylvania. Will the gentleman state the amount of new taxes that have been ordered since the first session of the Sixty-second Congress?

Mr. FORDNEY. I could give somewhere near it.

Mr. MILLER of Pennsylvania. Well, approximately.

Mr. FORDNEY. Under the 1 per cent income tax for corporations and individuals, about \$70,000,000 was collected from those two sources. Now, then, it is estimated they will collect this year \$133,000,000 from the corporation tax and, I think, something like \$70,000,000 to \$80,000,000 from individual income taxes. This law now proposes to raise \$22,000,000 from inheritance taxes, and \$56,000,000 from copartnership, and \$170,000,000 additional from corporations, insurance companies, joint-stock companies, and the like, or a total of \$248,000,000, a sum exactly equal to the amount that the Payne law would have raised on imports last year over and above that raised under the Underwood law. [Applause on the Republican side.]

Mr. MILLER of Pennsylvania. I thank the gentleman.

Mr. FORDNEY. Mr. Chairman, I thank the gentlemen of the committee.

Mr. FORDNEY. Mr. Chairman, how much time have I used?

The CHAIRMAN. The gentleman has used 1 hour and 15 minutes.

Mr. FORDNEY. I now yield 40 minutes to the gentleman from Ohio [Mr. LONGWORTH]. [Applause.]

Mr. LONGWORTH. Mr. Chairman, I listened with great interest and with great pleasure, as I always do, when he speaks, to the grave, calm, and dispassionate explanation of this bill by the gentleman from North Carolina [Mr. KITCHIN], but with all his eloquence and logic he has failed to satisfy me that it has any merit whatever. I am opposed to this bill. [Applause on the Republican side.] I am opposed to everything in it and everything about it, and I condemn the conditions that have

caused its introduction into this House. In thus announcing my opposition I do not think I will be accused of basing it on grounds of partisanship only. Gentlemen will remember that I supported a Democratic revenue bill not long ago, whether wisely or not I will not debate now. I voted for the bill offered by the gentleman from North Carolina last June, and I did it, as I then announced, for two reasons. In the first place, because I believed that the revenue it was designed to raise was necessary to pay for the preparedness program we had adopted; and, secondly, because I believed that its method of raising revenue, even though it did not include the obviously correct way of raising revenue—a duty on competing products of import—it was based in the main upon what I conceive to be Republican principles. I am not, then, making my attack upon this bill solely because it comes from a Democratic source. From whatever source this bill had come, under whatever circumstances it might have been introduced into this House, I would characterize it as the most obnoxious taxation measure I have seen since I was first elected a Member of Congress. [Applause on the Republican side.] In the first place, it starts with a deceptive and misleading title. It is called "A bill to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes." If it were not for the saving use of those words "other purposes" the title would be an unredeemed fraud upon its face. It is an adroitly constructed bill. It is made to appear that a portion of the revenue designed to be raised is to be segregated in what is called a "preparedness" fund; but you will observe that even this relatively insignificant portion of the amount carried is marred by the proviso at the end of the section which allows the Secretary of the Treasury to use this fund for "other purposes." It is not for preparedness that this bill is intended to provide. Even if the Secretary had no leeway with regard to the expenditure of this fund, and it was to be kept intact, it is a sham. It is because of the "other purposes" that the huge amounts of money that this bill carries are demanded. Allow me, my friends of the Democratic Party, to congratulate you upon one thing. If you have made a lamentable failure of raising the money necessary to support this Government you have made a monumental success in spending it. [Applause on the Republican side.] You have done something, it is true, toward preparedness; to that extent I congratulate you; but your main efforts have been successfully concentrated in the direction of "other purposes."

I shall not attempt to enumerate those other purposes. The gentleman who preceded me mentioned a number of them. Nor shall I attempt to count their cost. The gentleman from Michigan [Mr. FORDNEY] has stated, and other gentlemen will state, the figures in extenso. I will only suggest that they include ships to be brought under your new policy of Government ownership, nitrate and ammunition plants, obsolete before they are built, both of them, and utterly useless to this Government in time of war; the creation of thousands—and this the gentleman from Michigan forgot to mention—the creation of thousands of additional and useless offices since this administration came into power for the benefit of deserving Democrats; the huge expenses incident to your pitiful Mexican fiasco we have just heard discussed; "pork" in vast quantities distributed in certain favored sections of this country; and many other forms of wanton and wasteful extravagance, the cost of which has mounted into hundreds upon hundreds of millions.

As a matter of fact, this bill represents the final confession of the Democratic Party of its pathetic incompetence to successfully manage the business of this Nation. Had it come a few months ago, my friends, it would have been your deathbed confession. [Applause.] But with an adroitness worthy of a better cause you succeeded in deceiving the people before election as to the real condition of this country's finances. You adopted the policy of postponement, and, I regret to say, it worked; but it will not work this time. [Applause.] You were wise enough to know that you had to put off paying the piper until after election, and you did it by the simple process, learned no doubt from a close study of the life and methods of the late Mr. Micawber, of falling to pay your debts. You pretend that the monumental settlement you are now forced to make is due to the program of preparedness which the enlightened sentiment of the American people forced upon you. I say that it is not preparedness for the national defense, but extravagance—extravagance, wild and reckless; extravagance run riot since the members of the Democratic Party laid violent hands upon the Treasury of the United States—that has brought about the desperate financial straits in which the Nation now finds itself.

In one policy, at least, you have been consistent from the beginning—to get what you could when the going was good. Any

one of you who remembers his Mark Twain, and he could hardly do that without recalling his imperishable

Punch, brothers, punch with care,  
Punch in the presence of the passengere,

will trace the source and inspiration of a verse I may be permitted to recite as my conception of a suitably inspiring war cry for the Democratic Party, to be used when in serried phalanx it makes its repeated raids upon the Treasury:

Dig, brothers, dig with glee,  
Dig to the bottom of the Treasury.  
Shovel out the shekels for the Klissimnee,  
Millions for nitrates on the Tennessee;  
The South is in the saddle, you bet, by gee!  
Dig to the bottom of the Treasury.

[Applause.]

I think I am tempted to recite another verse:

Dig, brothers, dig with glee.  
Why leave a nickel in the Treasury?  
Leave the accounting to Willlam G.;  
He can fake up a balance to a T.  
The voters are plunged in lethargee;  
Dig to the bottom of the Treasury.

[Applause.]

If success is to be measured by the abundance of treasure you have abstracted, truly you are to be congratulated. You have not only dug to the bottom of the Treasury; you have dented the floor. The gentleman from Massachusetts [Mr. GILLET], the other day, and the gentleman from Michigan [Mr. FORDNEY], a few moments ago, conclusively proved that the alleged Treasury balance you see reported in the newspapers every morning is not a balance at all. It is not an asset; it is a liability; for the Treasury of the United States to-day, so far as having a cash balance available to pay our just debts is concerned, instead of being some \$90,000,000 to the good, is \$300,000,000 worse off than nothing.

Mr. MADDEN. Does not the gentleman know that the Democrats are always noted for being able to deal with a deficiency.

Mr. LONGWORTH. Oh, yes. Of course, additional revenue is necessary. Millions upon millions must be raised by hook or crook. If you had made a frank statement of the situation, if you had brought in a bill which appeared on its face to be constructed in good faith, if you had proposed a revenue measure which provided higher duties upon competitive articles of import, I would have cheerfully supported it. I will never support such a revenue-raising measure as this. You propose in a time of profound peace to issue more than \$600,000,000 worth of bonds, designed for purposes all of which ought to be paid, most of which have always been paid, certainly when the Republican Party was in control, out of the current revenues. Worse than that, you propose as a means of raising a revenue of some \$225,000,000 a tax unique in the history of this country, a tax never before heard of either in time of peace or in time of war. You propose a tax upon business, a tax upon the business of the country, big and little, and particularly little; a tax based not upon magnitude of operation but upon economy of operation; a tax to be imposed simply and solely upon efficiency of production. You propose a tax which will be borne, in the main, not by men of large capital but by men of small capital. You propose to tax American citizens who by intelligent, progressive, and economical management of their resources have done a prosperous business and to let those of larger capital, but whose methods have been wasteful, extravagant, and unprogressive, go free.

The result of this new policy, conceived apparently in praise of shiftlessness, wastefulness, and extravagance, will be to punish thrift, economy, and progress. And for such a policy I, for one, will never stand. [Applause.] Is it because of the pride you take in your management of the business of the country that you thus exempt from all taxation those who have managed their own business in similar fashion and put a penalty upon those who have managed their business otherwise? Possibly it may be fortunate that this tax is not extended to the salaries of Members of Congress. I certainly would not even hint it, but some evil-minded person might suggest that \$7,500 a year, based upon invested capital, which in this case I would assume to be the capital of brains and ability, invested in the service of the country, in the case of some gentlemen who support this bill would represent a return in excess of 8 per cent. [Laughter.]

You propose a tax of 8 per cent upon that portion of the income of substantially all partnerships and corporations, after deducting \$5,000, which is in excess of 8 per cent on the capital actually invested; and such capital is defined to be, first, actual cash paid in; second, the actual cash value at the time of payment of assets other than cash paid in; and, third, paid in or

earned surplus and undivided profits used or employed in the business.

The suggestion of the gentleman from North Carolina [Mr. KITCHIN], that this tax is in any way comparable with or in any way similar to the excess profit taxes now imposed in Great Britain and Germany and Canada, is beside the mark. In the first place, those are war taxes, and I decline to vote for a war tax in this country in time of peace. In the second place, they are not calculated in the way that this is; they are not calculated upon capital actually invested. Why, such a proposition as this is utterly unenforceable. We are spending to-day millions of dollars in trying to find out the physical value of railroads, and do you expect that any railroad could make a return under this bill which would show its actual invested capital?

It is a fine time, gentlemen, in the world's history, to adopt a policy of penalizing efficiency, of penalizing here in America that for which every other nation in the world is striving as they never strove before. At a time when the average industrial efficiency of every country in Europe has increased, according to Government reports, anywhere from 50 to 200 per cent, you propose, instead of encouraging American enterprise, that it may be competent after the war is over to meet the tremendous competition that is inevitable, to make it pay a tax upon that which is essential for the industrial independence of the United States. [Applause on the Republican side.]

I say to you that such a policy is un-republican; it is to the last degree un-American. It strikes at the very root of that policy which has made this Nation great and which has prevailed in America throughout most of the last century—the policy of exalting the interests of American citizens above the interests of citizens of any other country.

In one sense it is perhaps not unfortunate that this bill is here, because it emphasizes as no other measure possibly could the bedrock difference between the Republican and the Democratic Parties. For the very reason that it is entirely un-American, it is in the partisan sense essentially Democratic; for the very reason that it is un-American, it is in the same sense un-Republican.

Gentlemen on that side of the aisle are fond of saying that we on this side are not united. If there be any truth in that, if it does apply to some matters of relative insignificance, it does not apply on fundamental issues like this. [Applause on the Republican side.] Upon an issue of Americanism there is no division in our ranks. [Applause on the Republican side.] We vote solidly for the proposition that America shall be first. We vote solidly for the proposition that America shall be efficient. We vote solidly for the proposition that it is the first and highest duty of Government to protect, at all hazards and under all circumstances, all American citizens, whether in their property and lives abroad or in their industry here at home. [Applause on the Republican side.]

Mr. FESS. Will my colleague yield at that point?

Mr. LONGWORTH. With pleasure.

Mr. FESS. We all have appreciated your emphasis on penalizing efficiency and penalizing industrial preparedness. Is it not true that the entire argument of the chairman of the committee who presented the bill was also to penalize those who believe in the protection of the Government in national defense, stating that the clamor had been that we should defend and that therefore we are going to make them pay for it? What is the idea of the punishment of the men who believe in defending the Nation?

Mr. LONGWORTH. Well, I confess it was somewhat difficult to follow definitely the exact thread of the argument of the gentleman from North Carolina this morning.

Mr. FESS. I would like to ask this question: If that is the idea, the men who would fall under this law who have been opposed to the national defense program ought to be exempted from tax, according to that argument of the gentleman?

Mr. LONGWORTH. I regarded the gentleman's statement on that proposition as something like this: That activity for preparedness for the national defense was a misdemeanor, and it therefore should be punished. [Laughter on the Republican side.]

Mr. FESS. That is it.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Certainly.

Mr. MOORE of Pennsylvania. The gentleman may not have recalled the thread of the remarks of the gentleman from North Carolina, but undoubtedly he recalls the peroration of the gentleman from North Carolina. If he does not, I shall refresh his memory.

Mr. LONGWORTH. I shall be glad.

Mr. MOORE of Pennsylvania. The gentleman from North Carolina, in his peroration, sounded a bugle call to rally round the standard that he had just unfurled to resist a possible Republican attempt to restore the protective-tariff system in this country.

Mr. LONGWORTH. Yes; and he also added, I believe, that while in ninety-nine cases the President had been right, in his belated advocacy of preparedness he was wrong. [Laughter on the Republican side.] The Democratic Party is arrayed solidly on the precise converse of the proposition I have laid down. From the day you took hold of the affairs of this country you have neglected no opportunity to show your contempt for the policy that American interests shall be held to be paramount to all others. At the outset you declared that it was no part of the duty of this Government to protect American property in Mexico; and when American citizens lawfully in Mexico besought protection, not only for their property but even for their lives and for the honor of their women, they were told to come home or take the consequences. At this point I will ask to insert a letter that I received from a constituent asking protection for an American, his wife, and nine children in Mexico. I ask unanimous consent to print the whole letter in the RECORD.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to print in the RECORD the letter he refers to. Is there objection?

There was no objection.

The letter is as follows:

2703 PARK AVENUE, WALNUT HILLS,  
Cincinnati, Ohio.

MY DEAR MR. LONGWORTH: Will you kindly exert your influence in getting the Washington department to allow assistance to be given to an American citizen, with his wife and nine little children in Mexico City. This gentleman is a particular friend of my son, Dr. Richard Taft Taylor, whom you may remember.

My last letter from him was written February 28. Coming first to Washington, it reached me April 24. In it he states that they have only provisions enough to last four days, and then will be destitute again and left to their fate. He said he had repeatedly unavailingly asked further assistance of the Brazilian Legation. Just before Christmas I applied to Secretary Bryan to out of his abundance assist him, as he knew what an estimable man Mr. Frisbie is, as he visited him a number of years ago at his former home in Jalapa, and he also knows that the Mexicans have taken from him and his family their valuable sugar mills, also \$350,000 worth of sugar, their large plantation, and destroyed \$50,000 worth of property, and the Government demanded as a loan about all the money he had in bank, \$20,000. This loss is recorded at Washington and amounts to \$1,500,000. Mr. Bryan also knows, for I wrote then to him, that they had to sell everything possible of their furniture, clothing, etc., for food, and were at that time in destitute condition, and, as Mr. Frisbie described them, "with hollow cheeks, emaciated forms, tight-drawn skin over their bones, and eyes red from insufficient food and clothing." Mr. Bryan communicated with Consul Silliman and, finding this to be true, ordered provisions enough given them by the Brazilian Legation to last one month. Mr. Frisbie wrote me that with this assistance, and what was sent by my son, Dr. Taylor, and me, they were actually saved from starvation. Consul Silliman also wrote to me they were in great need of assistance.

The World's Work of February, 1909, contains a picture of Gen. John Frisbie and says that no American ever entered Mexico who had done so much good for the American cause there as he, the now deceased father of our friend, Mr. L. Platon Frisbie, the subject of this letter. I have for some time past been sending him small amounts of money, all that I could spare, in letters, but recently apparently he has not received any of them. Now, with sickness and unusual expenses, I can not send as heretofore. Just before the Mexican revolution he was trying to arrange his business so that they could live in Cincinnati, and I was looking for a suitable house for them. Later, when reduced to poverty by Mexican piracy, he begged the legation to lend him \$100, American money, a month, or until he could provide for his family himself. Naturally he is a good business man. If foreigners are assisted, I can not comprehend why our Government does not help Americans in distress.

Trusting you will do what you can for them. If you wish to know more who he is, Admiral Dewey will tell you, as he was a particular friend of his father. Also Hon. Fenton R. McCreery, of Michigan, a friend of his, urges me to ask your aid.

Yours, most respectfully,

Mrs. EMMA TAFT TAYLOR.

MAY 3, 1915.

Mr. LONGWORTH. I will now read to you a letter that I received from a distinguished former official in this administration in reply to one I wrote him asking if something could not be done to help to protect the property and lives of this man and his wife and children. The letter well illustrates the policy of this administration in regard to the sanctity of the life and property of American citizens abroad. This letter says:

DEPARTMENT OF STATE,  
Washington, May 22, 1915.

Hon. NICHOLAS LONGWORTH,  
House of Representatives.

SIR: I have the honor to acknowledge the receipt of a copy of the letter addressed to you by Mrs. Emma Taft Taylor, of Cincinnati, Ohio, dated May 3, 1915, relative to the maintenance of Mr. L. Platon Frisbie, his wife, and nine children at Mexico City, Mexico.

In reply I regret to inform you that the funds at the disposal of the department are not sufficient to enable it to provide for the main-

tenance of Americans in Mexico City. Those who are without funds should avail themselves of the first opportunity to leave. The department will cooperate with the Mexican authorities to secure means of transportation for all Americans who wish to come to the United States. Free transportation will be furnished those who are absolutely destitute, but those who have property but are temporarily without funds will be required to furnish notes for whatever amounts may be advanced to them to bring them out of the country. Telegraphic instructions in the sense of the above were sent to the Brazilian minister at Mexico City on May 15, 1915.

If any of these Americans there wanted to come home, or if they valued their lives at all, they had to communicate with the Brazilian minister, who apparently was the only person with whom Mr. Bryan was in communication at that time.

Mr. CANNON. Who signed that letter?

Mr. LONGWORTH. I forgot to state. The conclusion of this letter is—

I have the honor to be, sir,

Your obedient servant,

W. J. BRYAN.

He was not obedient in that case. I wanted him to do something to protect the life and the property of my constituent and of his wife and children, but he refused. I cite this as an illustration of the policy the Democratic Party has consistently pursued with reference to the interests of American citizens abroad. And from that day to this the same general policy has prevailed as to American citizens whether absent or present in this country. American interests are not rated first; they are rated last under this administration.

This new taxation scheme is the last and strongest link in the chain that the Democratic Party have been forging to shackle American business at home and abroad. The tax they propose is a direct tax on success; on success not necessarily great or distinguished, but just plain, ordinary, moderate success, the success that distinguishes efficiency from shiftlessness and thrift from wastefulness.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. LONGWORTH. Yes.

Mr. MADDEN. Does this bill provide that the Secretary of the Treasury may send experts into all the business institutions of America to examine their books and ascertain their profits, and thereby have a system of espionage over all the business of America?

Mr. LONGWORTH. I do not understand that this bill does that in terms.

Mr. MADDEN. I think it does.

Mr. LONGWORTH. But I think it provides that all methods which may be used for the ascertainment of incomes, either under the corporation tax or under the individual tax law, may be used in this case, and it provides that every corporation or partnership shall make a return which shall show all the items with reference to their actual invested capital. I assume that those penalties would apply, as they do under the income-tax law.

Now, I wonder whether this represents the complete program of this method of taxation, or whether it is only the beginning. Unless you gentlemen of the Democratic Party make some pretense of cutting down this wasteful expenditure of public money you will need more money this time next year. Do you propose then to stop at 8 per cent, or are you going to hike it up 50 per cent, as you have done within less than a year after passing your inheritance tax? Why stop at 50 per cent? Why stop at 100 per cent? Proceeding under your theory that success is a crime and prosperity a misdemeanor, why not confiscate everything above 8 per cent? The power to tax is the power to destroy. Why not destroy? Why not destroy all profits? Why not pass a law something like this, that all corporations or partnerships that make over 8 per cent shall contribute that excess to pay the losses of all partnerships and corporations that make less than 8 per cent? Why not pass a law—for that is the principle involved here—that no man may use in the development of his business more energy and brains than his least efficient competitor? That is the logical result of the policy adopted by this bill.

This bill is a direct blow at American industry, the industry of the man who works with his hands as well as of the man who works with his brain; for its tendency is going to be to block American progress, to destroy American efficiency, and to reduce American wages. From whatever point of view you consider it this is an un-American proposition, and I predict that the Democratic Party will live to rue the day when they foisted this monstrosity upon the American people. [Applause on the Republican side.]

Mr. GORDON. Mr. Chairman, will the gentleman yield for a question?

Mr. LONGWORTH. Oh, I guess so. I will yield to my colleague.

Mr. GORDON. Do you think this is as great a blow to American industry as it would be to put a tariff tax on raw material?

Mr. LONGWORTH. I have not advocated a tariff on raw material.

Mr. GORDON. Then where would you raise this money you talk about? How would you raise it without taxing raw materials?

Mr. LONGWORTH. I know that the gentleman is probably the most advanced free trader in this House, and it would be rather bootless for me to suggest to him how a tariff can be for revenue and protection at the same time.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. TOWNER. The gentleman knows, I think, quite well that all over the agricultural portions of the United States there are farmers' associations, dairy associations, and grange associations in which the farmers invest small capital for the purpose of building a warehouse or creamery, or something of that kind, and cooperate in the manufacture, marketing, and sale of their products. They would all come under the provisions of this bill, would they not?

Mr. LONGWORTH. I suppose not. Partnerships are specifically exempted in this case.

Mr. TOWNER. Yes; but not the joint-stock companies. They are included with corporations.

Mr. LONGWORTH. Yes; I think that probably the gentleman is right.

Mr. ALLEN. Will the gentleman yield?

Mr. LONGWORTH. I yield to my colleague.

Mr. ALLEN. Did the gentleman ever hear of one of these corporations or partnerships making over 8 per cent?

Mr. TOWNER. I will say to the gentleman that, as he well knows, there is no dividend declared in most of these associations, and the great difficulty in those cases is going to be that whatever is received from the sales of the creamery, we will say, is returned to the contributors and joint-stock owners of the association and constitutes really the price of their products. Now, it would be practically impossible, except by some arbitrary determination, to decide what is the amount of profit in a case of that kind.

Mr. ALLEN. The reason I make the inquiry is that I have belonged to three of these associations for 20 years.

Mr. KITCHIN. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, I have listened with interest to the statistics of the gentleman from Michigan [Mr. FORDNEY] and to the good-natured criticism and the invective, not so good-natured, of the gentleman from Ohio [Mr. LONGWORTH]. Both of these addresses attempt to convey the impression that we are imposing a tax upon successful business; that we are imposing a burdensome tax upon small aggregations of capital; that in this measure and in the other measures which we have adopted during the present administration we have expressed our contempt for the policy that American interests are paramount wherever Americans can be found. These gentlemen insist with more vigor than logic that this is "only another attempt on the part of the Democracy to shackle business in this country."

I get the impression also from these two addresses that both these gentlemen believe that if the Republicans had been permitted to remain in power, if the rates of the Republican tariff bills had prevailed to this date, this situation could not exist and we would not now be called upon to meet these tremendous expenditures by this sort of a bill—expenditures made necessary by the fact that all the rest of the world is engaged in the most horrible war of all history, and that in this age of force in the world we must be prepared to maintain our neutrality and to protect and maintain the peace, prosperity, and happiness which prevails now in this favored land.

#### REPUBLICAN TARIFF THEORIES AND THE PRESENT EMERGENCY.

Now, suppose we had retained until this day the rates of Republican tariff laws. Could we meet now with that sort of a revenue these tremendous preparedness expenditures? Our preparedness program for 1917 and for 1918 require \$873,000,000 above the normal expenditures—\$436,000,000 per year above the usual expenditures of the War and Navy Departments. This program was considered necessary by the military experts up here in the War Department, and by the people generally throughout the country.

If we had extended the rates of the McKinley bill to the present time, and if we were this year and every year collecting the highest amount of money we ever collected under the McKinley bill, we would be collecting only \$219,000,000 per year—almost \$220,000,000 too small to even pay for this additional

program of ours. In the Taft campaign you promised to lower the tariff rates if you succeeded in getting into power again in this country. You promised in your platform to revise the tariff in a special session of Congress if you elected your candidate. The country was not satisfied with that promise and said it must be a revision downward. You sent Mr. Taft in a swing around the circle, speaking in the important cities of this land, declaring that if he was reelected his reelection meant the reduction even of the rates which at no time under either the McKinley or the Dingley laws had yielded over \$330,000,000. But you did not keep your promise; you enacted the Payne-Aldrich bill and increased the tariff burdens upon the people of the land. Your Payne-Aldrich law yielded \$333,000,000 during the fiscal year of 1910, and that was the year in which it yielded the largest revenue; the next year was 1911, and it yielded \$318,000,000.

Mr. TOWNER. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. TOWNER. Of course the gentleman should take into consideration the largely increased importations. Does not the gentleman know that there is no encyclopedia or annual year-book in the world that does not give 3 or 4 per cent difference between the Payne-Aldrich bill and the Dingley law?

Mr. RAINEY. I do not know what the large library of books the gentleman is quoting will show, but I know the statements that I am making are true.

Mr. TOWNER. The gentleman can not point to any authority that coincides with his statement.

Mr. RAINEY. I call the gentleman's attention to the Treasury reports, and they will show that what I have said is true. We collected \$333,000,000 in 1910 under the Payne-Aldrich bill, and \$318,000,000 in 1913. The increased collection under the Payne-Aldrich bill over the McKinley bill was over \$100,000,000—of course more money was collected under the Dingley law than under the McKinley law, but not more than I have indicated.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. MOORE of Pennsylvania. Is it not a fact that the ad valorem rates under the Payne law were less than under the McKinley law?

Mr. RAINEY. No; the ad valorem rates were higher under the Payne-Aldrich bill than under the McKinley bill, and reports of your own exports show it. It may be possible that as a mathematical proposition the rates under the McKinley law indicated a higher percentage, perhaps due to an enlargement of the free list under the Payne-Aldrich law. But the Treasury records will show that under the McKinley law you collected an average duty per capita of \$2.25 and under the Payne-Aldrich law you collected an average duty per capita of \$3.40, which does not indicate a substantial decrease in tariff burdens.

Mr. MOORE of Pennsylvania. I am speaking of the Dingley bill.

Mr. RAINEY. I do not care to continue discussing ancient history.

Mr. FESS. Does not the gentleman mean the Dingley bill instead of the McKinley bill?

Mr. RAINEY. No; I want to call attention now to the Payne-Aldrich bill. Now, the point I want to make is this: These gentlemen insist that they could pay for the extra preparedness program, amounting to over \$436,000,000 a year, by levying tariff taxes. The most they ever succeeded in getting out of any Republican tariff law they got in 1910 out of the Payne-Aldrich law, and that amount was \$333,000,000, which entire amount is over \$100,000,000 less than the additions alone in the Army and the Navy and the fortifications supply bills, made necessary by these preparedness measures. You never got any more money than that out of the tariff in any one year during the life of the Republican Party, and that amount would not even pay this increase.

#### OUR PRESENT PROSPERITY AND DEMOCRATIC TARIFF POLICIES.

Now, I have always understood from my knowledge of economics that that nation in the world was the most prosperous which imported the most, which exported the most, which had in its favor the largest balance of trade, if any such combination as this could ever exist among the civilized nations of the modern world. At the present time we are exporting more from this country than any nation ever exported since the morning stars sang together. At the present time we are importing, month by month and year by year, more than any other nation ever imported. At the present time we have in our favor, month by month and year by year, the largest balance of trade any nation ever enjoyed—larger than we have ever enjoyed during all the

period of our history as a Nation; and yet these gentlemen say we are shackling business under this financial policy of ours.

The first thing we did in the Underwood tariff act was to establish what we said was a competitive tariff—was to take off \$80,000,000 of tax burdens from the people of this country and put those tax burdens where they ought to be, upon the large incomes of the country, upon the men who profited most under this Government, upon the men who were best able to pay. If our manufacturing establishments are closed throughout the land, that might be evidence to which these gentlemen could point, but if they are working day and night and some of them even violating the Sunday laws, if they are doing all of that, they are not injured. Out in my State from the tall chimneys of 20,000 factories smoke rises all day long and from hundreds of them all night long, producing there in the third manufacturing State of the Union manufactured goods for all the world, and among those 20,000 factories less than half a dozen are engaged in the manufacture of war material. We are obtaining the highest prices ever obtained for American manufactured products in the history of the world. We are obtaining the highest prices ever obtained for farm produce. Amid clanking machinery throughout the States of the Union 7,000,000 skilled laborers work producing more manufactured goods in 12 months of time than any nation in the world ever produced in a like period of time. Is that an evidence of any shackling of the business of the country? Who ought to pay the burdens of Government? Ought the poor to pay these expenses? Ought we to saddle these preparedness expenses upon unsuccessful business, if you can find any unsuccessful business in this land at the present time? Is it not right that those men who have combined and who are enjoying their full measure of the prosperity which has come to the Nation should pay their full share of its burdens, especially the burdens imposed by a bill which proposes to raise money to place out in the oceans which surround their factories an iron wall of floating steel forts to protect them and to insure through the coming years the profits they now enjoy? The money we are collecting goes also to pay for land defenses and for the great armies provided in these preparedness measures for all of which Republicans in this House voted. Talk about a tax on small business. Is an aggregation of \$100,000 of capital a small business? Let us assume that it is. We exempt first in the profits of a company on an invested capital of \$100,000, or of any amount, \$5,000, and then we exempt from the operation of this tax 8 per cent of their profits. In other words, in order to subject that small business with an invested capital of \$100,000 to the provisions of this bill they must first make upon the capital they have invested 13 per cent, and if they make more than that we take not what they make more than that, but we take one-twelfth of what they make more than that. That is not a burden upon successful business. That is not a burden upon small business.

AN ANALYSIS OF OUR IMPORTATIONS IN 1916 IN CONNECTION WITH OUR INDUSTRIAL DEVELOPMENT.

For the 12 months ending with December last our imports amounted to \$2,391,716,000. For the 12 months ending December, 1911, when the Payne-Aldrich Act was in operation, our imports amounted to \$1,532,359,000. In other words, our imports under the present tariff law are nearly one billion more per year than they were under the Payne-Aldrich law. If we are bringing in manufactured goods in this enormous quantity, then we may be displacing the goods produced by our own factories throughout the land; but if we are not bringing in manufactured goods in quantities tremendously large, then we can not be hurting anyone. Therefore it is important, in order to meet the statistics advanced by the gentleman from Michigan [Mr. FORDNEY], simply to call attention to the facts. In 1916 we brought in \$21,500,000 more foodstuffs than we did under the Payne law in a crude condition, including food animals. We brought in during the calendar year 1916 nearly \$114,000,000 worth of foodstuffs partly or wholly manufactured more than we brought in in 1912. In other words, under our law which made it possible to bring in foodstuffs in larger quantities than it was possible to bring them in under the Payne law we brought in foodstuffs in larger quantities—\$134,000,000 more in 1916 than in 1911. Would you have kept them out by imposing a tariff? Prices of foodstuffs, you complain, are going up all the time. Where would they have been were it not for these wise provisions of the competitive Underwood tariff law? We brought in in 1916 nearly \$390,000,000 more of crude materials for use in manufacturing than we did in 1912. In other words, under this tariff law of ours we were compelled to bring in nearly \$389,000,000 more of crude materials with which to feed these great factories of ours, prospering, as they were, under the Underwood law, than we brought in in 1912.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes more to the gentleman.

Mr. RAINEY. Mr. Chairman, during the year 1916 we brought in materials for further use in manufacturing to the amount of \$65,000,000 more than were brought in under the Payne-Aldrich law in 1912. In other words, in order to keep these factories going in 1916 we not only used all of the crude materials and the materials ready for further use in manufacturing that could possibly be obtained in this country, but we brought in \$455,000,000 more of the kind of raw material which keeps 170,000 factories running throughout this land of ours than we brought in in 1912 under the Payne law. Did that hurt any industry in this country? I am comparing the calendar year 1916 with the calendar year 1912 for the reason that 1912 was a typical year under the Payne-Aldrich law.

Now, we come, in analyzing this import business, to which attention has been called, to the question of manufactured goods ready for consumption. Now, if under our bill we have brought in more manufactured goods ready for consumption than were brought in under Republican bills, then these manufacturers may have something of which to complain. During the 12 months ending with the month of December, 1916, we brought in of manufactured goods ready for consumption, ready for the consumer, \$45,000,000 worth less than we brought in in 1912 under the Payne-Aldrich bill. I know of no Member of this House who can use figures so effectively as the gentleman from Michigan [Mr. FORDNEY], but he uses always the statistics that represent his side of the question; but when you analyze, as I have here, the importations for 1916, to which he called attention, and compare them with the importations under the years of the Payne-Aldrich bill, it proves absolutely and conclusively that the Underwood tariff bill—competitive tariff bill, as we claim it to be—has done more to build up the industries of this country since it has been in force than all the Republican tariff bills that have ever passed through this House. [Applause on the Democratic side.]

Mr. PLATT. Will the gentleman yield?

Mr. RAINEY. For a question only; not for a statement or a speech.

Mr. PLATT. If that be so, the Underwood bill must be the cause of the high cost of living also.

HIGH COST OF LIVING EXPLAINED BY REPUBLICAN LEADERS.

Mr. RAINEY. Now, in that connection I want to read from a speech delivered by one of the Republican leaders in this House in reply to the gentleman who has just interrupted me. I want to read from the speech of the gentleman from Ohio [Mr. FESS], an able speech, made upon this floor during the first few days of his membership in this body, which was tremendously applauded on that side of the House; and if the gentleman was here at that time, he joined in the applause. The gentleman from Ohio always makes a good speech on economic subjects, but he never made a better one than this. At that time prices were high and the charge was being made that prices were higher under the Payne-Aldrich bill than they had ever been before. The upward movement of prices commenced at that time. Now, I want to read from the speech of the gentleman from Ohio [Mr. FESS], made on the 25th day of April, 1913:

High prices should be interpreted the "cost of high living" rather than the "high cost of living." It is due to many causes. First, the well-to-do situation of the average man has placed him in a position to gratify increased demands. He is becoming more extravagant. He wants more, and his standards of living are gradually increasing. Secondly, the drift of population from country to city disturbs the balance between production and consumption. It increases the demand for consumption more rapidly than the supply of production. This also causes prices of products to go up. Thirdly, the multiplication and improvement of facilities for communication, making the world but one neighborhood, has a like tendency upward in prices. Fourthly, the increase in the number of the middlemen between the original producers and the ultimate consumer compels an upward trend of price to the consumer, though it might not change for the producer. The farmer who sells his fat cattle at a price that steak could sell at 15 cents will see the steer go through a half dozen different hands, each of which must have a margin, so that when it reaches the hotel table it will command more than three times the original price. Fifthly, another cause of high price is the great bulk of money in circulation in our country. These causes are conditions of industry and not results of tariff duties.

The gentleman discussed the matter along that line, defending the high prices under the Taft administration. I remember that prior to that time, on the 19th day of August, 1912, another leader on the Republican side, the gentleman from Washington [Mr. HUMPHREY], discussed also the high cost of living under the Taft administration. The gentleman from Washington [Mr. HUMPHREY] thought so much of this speech that he printed it in pamphlet form and sent each Member of Congress a copy of it.

In defense of the high cost of living under the Taft administration, among other things, the gentleman from Washington said:

From the earliest history of the race high prices have marked the growth of civilization. \* \* \* So the history of high prices is to-day, as it has always been, the history of progress; the one invariably measures the other. To-day from every nation of the world our consular agents report this complaint about the high cost of living.

Speaking of the Payne-Aldrich bill, the gentleman from Washington in his speech said:

The tariff was reduced 25 per cent on dressed meats, and the price of dressed meats immediately went up.

The tariff was reduced on ham 20 per cent, and the price of ham immediately went up. \* \* \*

The man who claims that a reduction of the tariff means a reduction of the prices is at war with the facts, and is contradicting the entire history of the tariff legislation of this country. \* \* \* It is true that it costs more to live to-day than ever before, but we are living better to-day than ever before. We live in better houses than ever before. \* \* \* The luxury of yesterday is the necessity of to-day. The luxury of to-day will be the necessity of to-morrow. \* \* \* To-day we produce three times as much gold as we did 20 years ago. Perhaps this may have something to do with the increased cost of living. \* \* \* As private expenses have increased, so have the expenses of Government. \* \* \* Where do we have the most progress and prosperity and happiness? Where prices are high. \* \* \* Where do we have low prices? In India, in China, and other Asiatic countries. \* \* \*

The gentleman from Washington proceeds to the conclusion of his speech with the following statement:

If cheap prices are wanted, then free trade is the remedy. Another Wilson bill will bring the result desired. There can be no doubt of that. Again we will have cheap meat and cheap clothing and cheap labor and still cheaper men.

The Republican speeches to which we have just listened indicate that this prophecy of the gentleman from Washington has not been realized. If we are to believe the addresses just delivered, prices are certainly not any lower than they were during the period of the Taft administration.

In commenting upon the approaching Democratic tariff bill—the Underwood tariff bill—the gentleman from Washington concluded his speech as follows:

No one need fear that if a Democratic tariff law is placed upon our statute books that the high cost of living will not disappear and that high living will also disappear; free trade, free soup houses, and cheapness, and poverty, and want, and hunger, and famine, and Democracy will again bless this country of ours.

In the face of the prosperity which prevails in this country to-day and the high wages, the highest ever paid in the history of the Nation; in view of the fact that no man is without employment who is able to work and who wants to work, these prophecies seem at the present time particularly ridiculous. These speeches were in defense of the high prices, the high cost of living which prevailed during the Taft administration, and which the gentleman from Michigan [Mr. FORDNEY] and the gentleman from Ohio [Mr. LONGWORTH] claim have not yet disappeared from the land.

Both of those gentlemen have correctly interpreted the reasons for high prices, and if the reason for high prices which prevailed in 1913 and immediately prior thereto is due to such causes as the gentleman from Ohio and the gentleman from Washington say in these speeches, then the increase in prices at this time is due in a still larger degree to the greater prosperity which prevails now throughout the land. We have poured month by month into our Treasury vaults here in this country a stream of the yellow gold, more than ever came to the vaults of any treasury of any country in the civilized world in a similar length of time. The importation of gold, while it brings in its train prosperity, brings also high prices, as the gentleman from Ohio knows.

Mr. FESS. Will the gentleman yield?

Mr. RAINEY. I yield to the gentleman.

Mr. FESS. That speech was made when we were discussing the Underwood tariff bill, and was in reply to the charge of the gentlemen who had charge of the bill and others that the high cost of living was due to a protective tariff.

Mr. RAINEY. No matter what the occasion was for the gentleman's speech, his argument applies with greater force now than it did then. [Laughter and applause on the Democratic side.]

Mr. BROWNING. Will the gentleman yield?

Mr. RAINEY. I will.

Mr. BROWNING. Was it not the intention of the Democratic Party to cure all those evils when they came into power?

Mr. RAINEY. The Republican Party had been in power for 50 years of time, and I would like to see any party that could cure all the economic evils in less than 4 years of time that grew up under 50 years of Republican rule. [Applause on the Democratic side.]

Mr. BROWNING. They can if they want to.

#### OUR ENORMOUS EXPORT BUSINESS UNDER DEMOCRATIC POLICIES.

Mr. RAINEY. Under this Democratic administration we are exporting goods. We are exporting at the rate of \$5,500,000,000 worth of goods every year. For the 12 months ending last December we exported \$5,480,000,000 worth of goods, and we did this in spite of the fact that the great central nations of Europe, always among our best customers, were closed to us by the English blockade.

We did this in spite of the fact that almost half the civilized world was closed to our markets. We sent more manufactured goods in 1916 to Sweden and to Norway and to Denmark, countries at peace, than we ever sent before in the same period of time in our history as a nation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. Would the gentleman like more time?

Mr. RAINEY. I would like five minutes more.

Mr. KITCHIN. I yield to the gentleman five minutes more.

Mr. RAINEY. We exported more manufactured goods to Brazil, and to the Argentine Republic, and to Spain, and to the far-off countries of the Orient than we ever did before under Republican rule. These countries are not at war. Countries that were at war, countries that had formerly accepted our goods, that gave us in return their manufactured products, were closed to our markets. And so, under a Democratic administration, with agents of the Department of Commerce at work in all sections of the civilized world finding markets for American goods, we have been able to send them in these increased quantities to all the countries of the world.

#### INCREASING OUR MERCHANT MARINE.

Ships? Of course, we are arranging to build and to buy ships. In order to carry this immense export commerce of ours we are compelled to acquire ships, and we have arranged for the building of them and for their purchase and for their sailing under the American flag, in a manner absolutely democratic—by methods which the people of this country approve. The method you always stood for was to pour gold from the Treasury into the sea in enormous subsidies—to pay money out of the Treasury to companies in order to induce them to operate ships. We have adopted a different plan than this.

#### REPUBLICAN LEADERS VOTED FOR PROPOSITIONS THEY NOW CONDEMN.

Here in this minority report you criticize the Democratic Party for "a series of doubtful Government enterprises, such as railroads in the frozen north," and so forth. This report challenging the Democratic Party for the Alaskan Railroad policy is signed by the gentleman from Massachusetts [Mr. GARDNER], and that gentleman who now criticizes this method of developing Alaska voted for the Alaskan Railroad bill. This complaint as to this Democratic method for developing Alaska is signed by the gentleman from Nebraska [Mr. SLOAN], and yet the gentleman from Nebraska voted for the Alaskan Railroad. This minority report criticizing these things is signed by the gentleman from Ohio [Mr. LONGWORTH]. He was not a Member of Congress at that time. If he had been, probably he would also have voted for the development of the resources of Alaska.

#### GUNS AND AMMUNITION ONLY SMALL PART OF OUR EXPORTATIONS.

I want to conclude with the statement that we exported more goods in 1916 under these Democratic tariff measures and under this fiscal policy of ours which you condemn—we exported twice as much goods as you ever exported in any one year during any Republican administration.

Mr. FORDNEY. There was not any war in Europe during the Republican administration, was there? And is not that the cause of your increased exports now?

Mr. RAINEY. The war in Europe accounts for some of these exports, but it does not account for the fact that in my State 19,995 factories are manufacturing goods day and night, many of them for export, and less than half a dozen factories are manufacturing war material. Less than 14 per cent of these exports consisted of ammunition and firearms. Take that out and you have remaining in the calendar year of 1916 an exportation as large as the combined exports of any two years under any Republican administration. [Applause.]

#### ERRONEOUS IMPRESSIONS AS TO EFFECT OF THIS BILL.

I have received a number of letters and telegrams from Illinois and from other States protesting against the proposed tax on excess profits. I am not in receipt of a single letter or telegram which conveys to me the impression that the person communicating with me understood what this bill is. A number of them think we are taxing profits 8 per cent. A number of them seem to think there is no exemption of \$5,000. Others think we are imposing an 8 per cent tax on all corporations and partnerships in the country computed on their capital invested.

Others seem to think that the proposition is to take all the profits of corporations and partnerships in excess of 8 per cent.

All records for misinformation on public questions appear to have been broken. Manufacturing associations throughout the country have advised their members to protest against this bill, incorrectly describing the terms of the bill in their communications to their members. I have before me the circular letter sent out by the Illinois Bankers' Association from its office in Chicago on the 24th day of January, 1917, to all members of the association. This letter was sent to me by a small banker, who would not be taxed a cent under the present bill, asking me to oppose the bill and to assist him in any possible way. This letter, sent out by the Illinois Bankers' Association, an exceedingly important organization, contains more than the usual amount of misinformation, due, I presume, to the fact stated in the last paragraph of the letter—that this communication was "the longest letter ever sent the membership."

Among other glaring inaccuracies the letter contains this statement:

As an illustration of how the proposed tax will work, a bank or other business with a capital of \$50,000, surplus and undivided profits of \$10,000, which earns 20 per cent net on its capital, or \$10,000 a year, would be entitled to a deduction of 8 per cent on the capital and surplus amounting to \$60,000, or \$4,800, leaving the difference between this amount and \$10,000, or \$5,200, upon which a tax of 8 per cent, amounting in this case to \$416, would have to be paid.

Under this bill such a bank as this would pay no tax at all. The \$5,000 exemption will leave only \$200 to which the tax of 8 per cent would apply. However, this bank would take out all of its taxes, including local taxes, before the 8 per cent tax would apply, and in all probability these taxes, which it would be permitted to deduct, would amount to more than \$200. Therefore, instead of paying \$416 per year this bank would pay no taxes whatever under this bill.

The statement of this letter as to the taxes larger banks would pay is just as erroneous. The letter entirely ignores the fact that before computing this tax the banks are permitted to take out their capital-stock tax and all other taxes.

Based upon these glaringly inaccurate statements, the secretary of the Illinois Bankers' Association, who sends out this communication, proceeds to argue for a protective tariff to prevent idle mills, and insists that with the existing direct taxation a protective tariff would produce adequate revenues, and so forth. No statement could be more inaccurate. No protective tariff ever devised by the Republican Party yielded more than \$333,000,000 per year. Our preparedness program alone amounts to over \$436,000,000 per year. The expenses of maintaining our Army and Navy before entering upon the present expensive program of preparedness generally demanded by the bankers throughout the country cost us over \$250,000,000 per year. In other words, the demands of our Army and Navy alone at the present time on the Treasury of the United States amount to over \$680,000,000 each year, and yet the secretary of the Illinois Bankers' Association presumes to suggest to all of the bankers that belong to this organization that a return to the Republican method of levying tariffs will meet not only the present expenses of maintaining our Army and Navy but a considerable part of the other expenses of conducting this great Government of ours. All the ingenuity of high-tariff Republican leaders was never able to obtain out of the tariff half enough money to pay the present expenses of maintaining our Army and Navy alone.

I know many Illinois bankers who are Democrats and who believe in honest methods of presenting economic questions and I know many Republican bankers who favor the same method of presenting an important matter like this through the influential membership of the Illinois Bankers' Association. I am wondering if they approve such a letter as this.

#### THESE TAXES GO INTO SPECIAL PREPAREDNESS FUND.

Every dollar derived from this bill will go toward paying for our preparedness program, and goes into a special fund for that purpose. Every dollar derived from the last emergency bill, which is intended for the support of our preparedness program, is by this bill placed in the same fund. Whenever, as the result of the world peace negotiations which may follow the recent letter of President Wilson, it is possible to abandon our preparedness program this tax may cease. We exempt agriculture for the reason, among other reasons, that agriculture is exempted by all the nations which impose excess-profits tax. We exempt incomes—all professional incomes. Even the warring nations of Europe in a large measure exempt these incomes. We place this burden upon those who are prospering, upon those who are making money on account of the fact that the wise administration of affairs by this administration has made it possible for them to make money. We place this tax upon those citizens of the country who are making the largest profits, not those who

are making the smallest profits. Eight per cent profits, which we exempt, is to-day an exceedingly satisfactory profit on invested capital, and in this bill we take only one-twelfth of the profits above 8 per cent, plus the exemption of \$5,000, and all taxes, local, State, and Federal, come out also before this tax attaches.

No matter what we may think about the preparedness program now in progress, it has been adopted. Republican Members voted for it almost unanimously. This obligation has been incurred and it must be met. We have provided a way in which it can be met. I have heard from the other side no suggestions as to how these preparedness demands ought to be met, except that we ought to meet them by increasing the tax upon imports. The slightest examination of the subject demonstrates the absurdity of such a proposition as this.

Mr. Chairman, I yield back the balance of my time. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. SLOAN]. [Applause.]

Mr. SLOAN. Mr. Chairman, looking over a newspaper bearing date of March 19, 1913, I was struck with the following bold headlines: "Fight for economy—Wilson to wage a warfare on heavy expenditures."

With multiplied recommendations for novel expenditures and the veto of not a single appropriation, we are confronted with this bill. It is conclusive evidence of one war that was ended without victory.

I was interested in the statement of the gentleman from Illinois [Mr. RAINEY] who impoverished the English language in his glowing descriptions of the prosperity of the private establishments throughout the United States. So prosperous were they that they seemed to have excited the cupidity of the party in power. I marveled if his statement was correct and if every business concern in the United States had such prosperity. I wondered why. I thought it must have been, perhaps, largely on account of good management; and, if that is true, what can you say of the greatest business establishment in the United States—the Government itself—that finds itself to-day with \$30,000,000 less than no money at all.

It seems that the Government of the United States and the inefficient who are conducting it now are jealous of that so-called prosperity of individual affairs, and they want to lay the strong taxing hand upon them to even up affairs, because it is a crime under this administration to be solvent; it is a misdemeanor to be thrifty.

Four years from the 4th of next March the present administration took charge of the National Treasury. Making proper deduction for current items, so far as they can be definitely ascertained, we had a balance in the United States Treasury on March 3, 1913, of \$126,664,083.28. On January 26, 1917, observing the same rules of bookkeeping and classification of items, we have \$30,745,773.46, less than no money at all. We are in the position of the staggering insolvent who seeks to put off the evil day by "kiting checks." [Applause on the Republican side.]

The character of the times may well be suggested by the statement of the issues upon which the American electorate granted an extension to the administration. The first was that the President had "kept the country out of war"; the second, that the President favored protection to American industries, as was indicated in his Tariff Commission, which he forced down the throats of a reluctant majority. That the second shared with the first responsibility for the result is shown in that while the President was reelected by a plurality vote of all States, if all States are considered, and by a minority vote in all States, collectively speaking, where real elections were held, a House known to be protective was elected. A large majority of the collective votes for Congressmen was cast for Republican candidates.

That both of these issues are now repudiated, the bill now being considered is evidence. First, this measure is urged on the ground of "war expenditures incurred." In other words, we are to raise this enormous sum of money to pay for the expenses of a war out of which the American people were told we had been kept. Second, the protection feature is repudiated by its omission from this bill and the further facts that nearly five months have elapsed since the tariff-commission law was enacted, and its membership is not even nominated, while those suggested by the press as having been selected are most radical free traders. So we have now had nearly four years of relative free trade, with a prospect of four years more. There is one advantage, dear a lesson as it is and dearer as it probably will be—there will be demonstrated to the people the difference between a sound business and political policy and the fatuous following of a time-worn and oft-discredited theory.

Right here let me say that there is not a protective feature in this bill. In the revenue measure of September 8, 1916, there were three protective features—dyestuffs, tariff commission, and dumping clause. Moreover our troops were invading Mexico and the promptings of patriotism suggested voting for more revenue. But now the troops are recalled and another war without a victory has found an end. It has been said that the defense of the Mexican campaign was the inspiration of the world-peace speech before the Senate.

Moreover, there seems to be no end to this administration's demand for money, persisting like the daughters of the horse-leech: "Give, give, give."

The Treasury is now \$157,409,856.74 worse off than it was four years ago. Assuming that the "hand-to-mouth" system is to be followed until July 1, 1918, the provisions here imposed are to raise funds to keep the country going up to that time. To accomplish that it is here proposed to issue bonds in the sum of \$100,000,000 and use in addition \$222,000,000 heretofore authorized but unissued Panama Canal bonds; to authorize issuance of short-time loans to the extent of \$300,000,000; raise on inheritance tax \$32,000,000; raise on business \$320,000,000; a total of \$974,000,000.

Then, if we would ascertain how much it would cost to place the Treasury on July 1, 1918, in the condition it was four years ago, add to the last sum \$157,409,000, making a grand total cost to the Treasury of the United States of five years and four months of Democracy of \$1,131,409,000. It demonstrates the high cost of misgovernment—an expensive luxury—the most expensive since Imperial Rome went up in flames to amuse the music-mad emperor. [Applause on the Republican side.]

Mr. FARR. Mr. Chairman, will the gentleman yield there?

Mr. SLOAN. Yes.

Mr. FARR. Was that amount just mentioned the amount that this new bill will carry?

Mr. SLOAN. Oh, no. That is simply what it will take to put the Government financially in the same condition that it was in on March 4, 1913, indicating, as I said before, the high price of misgovernment.

Mr. FARR. Does the gentleman include there the revenue bills passed during the last two sessions?

Mr. SLOAN. Oh, no. Those were small luxuries as compared with this.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Yes; I will yield to my colleague.

Mr. REAVIS. Does the gentleman think we have gotten our money's worth?

Mr. SLOAN. No; I do not think we have gotten our money's worth. The only way we possibly could get our money's worth would be for those who have so ill conducted this Government to resign and give somebody else a chance to give us good government, and not misgovernment. [Applause on the Republican side.]

The primary cause of our Treasury's downfall was when the Underwood law, the last word in tariff perfidy, was passed. It was passed by a majority segregating itself from a minority prepared and qualified to admonish and advise; by disregarding their few sound Members' advice; and, lastly, by surrendering their prerogative in duty fixing to the executive branch of the Government, where supreme confidence coupled with kindergarten capacity touched, seized, and bungled.

Of course, the Underwood tariff law, like the bill that is being considered now, should not be charged to that side of the House. The executive department of this Government took charge of that, and forced it down the throat of that Congress just as it is forcing down the throat of this Congress the infamous measure before us.

Mr. RAINEY. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. For a question.

Mr. RAINEY. I feel that I can not sit here and permit that statement to go unchallenged.

Mr. SLOAN. Well, whether the gentleman is sitting comfortably or uncomfortably, I make that statement.

Mr. RAINEY. What the gentleman says is not true.

Mr. SLOAN. It is true. You know it is true. It is true here and elsewhere.

Mr. RAINEY. I was on the committee, and the gentleman was not, and I know more about it than the gentleman does; and I was one of the conferees, and the gentleman was not. I am willing that my statement shall go against his wherever I am known.

Mr. SLOAN. Oh, you say you are willing that your word shall go against mine wherever you are known. Why do you not make it stronger and put it, "Wherever you are not known"? Give us a stronger statement. [Laughter.]

Mr. RAINEY. I am willing that my statement shall go against the gentleman's statement wherever the gentleman is known. [Laughter.]

Mr. SLOAN. As a measure professing to raise revenue, it reduced it. It did raise something—a disturbance in business circles, which, had it not been for a great European war, would have left our industries generally where our Treasury is now—bankrupt.

To brace our failing Treasury after the Underwood law, five applications of the tax pulmotor have been made. [Laughter on the Republican side.] First, the war-revenue law of October 22, 1914, with its obnoxious stamp tax and special tax on banks and other lines of business. Second, the extension of the foregoing act, dated December 17, 1915. Third, the reimposition of a considerable duty on sugar. Fourth, the war-revenue act of September 8, 1916, in which income taxes were doubled and inheritance taxes, peculiarly the province of the States, were taken over by the Government for revenue purposes. Fifth, the present bill.

Grover Cleveland once said that it was "a condition, not a theory, which confronts us." It is worse than that. Here we have an appalling "condition" caused by a bad "theory," and both confronting us. A boy lost his knife. His father advised him to seek for it where he lost it. We should seek to recoup our loss largely at the customhouse. But this the misguided, purblind, bigoted, reactionary majority refuse to do. Political consumptives, they rather keep on taking patent medicine and quack nostrums than to resort to bright sunshine and pure air.

Mr. GORDON. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Just for a question, if it is relevant.

Mr. GORDON. Is it true or is it not that the Underwood law has produced more revenue in the same length of time since it was enacted than the Payne-Aldrich law did while it was in force?

Mr. SLOAN. It is not true that the Underwood law produced more import duties than the Payne-Aldrich law.

Mr. GORDON. Can you give us the figures?

Mr. SLOAN. I will put them in.

Mr. GORDON. I will say to the gentleman that Mr. KITCHIN made that statement on the floor of the House and I have never heard it denied before.

Mr. SLOAN. Taking the average of the last two full fiscal years under the Payne law, which was \$308,704,656, and the only two full fiscal years we have had under the Underwood law, which was \$207,836,321, leaves the average Payne law duty income \$100,868,335 more than under the Underwood law.

Mr. TILSON. Will the gentleman yield to me?

Mr. SLOAN. I will.

Mr. TILSON. If I remember correctly, the gentleman from Illinois [Mr. RAINEY], in a very learned speech here, made it as one of his principal points that we collected \$100,000,000 less under the Underwood law than under the Payne law, and therefore removed \$100,000,000 from the shoulders of the people.

Mr. SLOAN. Yes; and if Mr. RAINEY were asked, he would say that statement of his very materially strengthened it. He will admit it.

Mr. GORDON. Mr. KITCHIN just stated to me that the Underwood law had produced \$17,000,000 more revenue than the Payne-Aldrich law did in the same length of time.

Mr. SLOAN. I think you have another guess coming.

Mr. GORDON. Will you put the figures in the RECORD?

Mr. SLOAN. Yes; as I have said, I will print the figures for this purpose, because I know you are a seeker after truth, and I would like to satisfy you. Whether it is your desire or not, I know it is your need.

To replenish the Treasury they would rather invade the tomb of the dead American than to exact justice from the greedy foreigner. They prefer to penalize home thrift to taking tribute from the alien whom our complacency made rich. They elect to bond our children and theirs for generations rather than hamper the stranger at our gates, who brings us little, pays no tax, and takes away much that we need.

Many of us prefer Americans, native or naturalized, to anybody else on earth. We would rather dominate the Western Hemisphere through the Monroe doctrine than to become a minor member of any world league. [Applause on Republican side.] The other side believes that water is thicker than blood, especially if that water is salt water, sanctified by the passage to our shores of foreign goods. They like the foreign flavor. We favor American men and American merchandise.

Mr. GORDON. Will the gentleman yield at that point?

Mr. SLOAN. For one question; yes.

Mr. GORDON. Do you still think that the foreigner pays the tariff?

Mr. SLOAN. Why, we know it; and if you had taken an advanced course, or even a kindergarten course, in political economy you would know that in the end, by and large, the foreigners pay it, because if you had traveled abroad and heard their wails when the McKinley bill was passed you would understand that. And if you did not know it, the foreigner knew it, and knew it was to his disadvantage.

Mr. GORDON. There was some complaint against that bill in this country, too.

The CHAIRMAN (Mr. SHERLEY). The rule provides that gentlemen must not interrupt without addressing the Chair.

Mr. SLOAN. I like to have the gentleman indulged, because, like that animal described by Artemus Ward, he is a very "amoosin' cuss." [Laughter.]

With their code of economic ethics the majority brings in this bill, this new evidence of their own folly and a new confession of failure of the Underwood law.

#### THE INHERITANCE TAX.

An inheritance tax under our system of government, while it may be defended as constitutional, was not intended to be resorted to by the United States except in extremity. It was expected to be left to the States, whose duties, among others, are to care for the unfortunate living and may properly, for that purpose, draw on the estate of the more affluent dead.

Life insurance companies are taxed. That, of course, in the final analysis comes out of the policyholder or his beneficiary—another way of meeting the victim at the grave. There is to be extracted from the amount his loved ones are to receive a tribute such as Cæsar never demanded. [Laughter and applause.]

This is the second assault upon the dead by this Congress. You are placing the second toll taker at the gate of death to penalize the departure of the industrious. [Laughter on the Republican side.] The first was last September.

To the majority nothing appears to aid the gasping breath of approaching dissolution like the fan of the conscientious taxgatherer. Bring the Government's collector that he may draw the death damp from the chilling brow with a tax warrant. Courageous 14—members of the Ways and Means Committee. With right of choice you become vultures instead of eagles. Deal harshly with the dying; they are helpless. Wrest from the orphans their birthright; they are defenseless. Extort from the widows; they are companionless. Shrouds, coffins, tombs, and taxes—cold comforters to mortal entering the valley of shadow. Verily the wages of free trade are grievous taxes and the end of Democracy is debt.

The sublime and beautiful Westminster funeral service has for decades been delivered over the remains of millions. To the triumphant challenge of "Grave where is thy victory?" there has been no defiant reply until the introduction of this bill, which answers the solemn inquiry by saying, "Down at the corner of Fifteenth and Pennsylvania Avenue, in the Treasury Building." [Laughter.]

The story comes from the majority caucus in the form of a "leak": A Member whose partisanship did not blind him to the enormity of this measure proposed to thrust aside that old party emblem, the donkey, and substitute the hyena, the robber of graves.

In the olden time Zacchæus was a great gatherer of taxes and become noted as an eminent tree climber. Now our Zacchæus, far famed not only as a taxgatherer but also a revenue dissimulator, becomes a revenue porch climber.

#### BONDS.

The National Treasury during four years of this administration passed from repletion to emptiness, from abundance to bonds.

Mr. GORDON. Will the gentleman yield?

Mr. SLOAN. Yes; I will again indulge.

Mr. GORDON. How much of the revenue, after Mr. Wilson was inaugurated, has been devoted to the construction of the Panama Canal?

Mr. SLOAN. That is a very intelligent question.

Mr. GORDON. If the gentleman does not know, I will tell him. It was \$81,000,000.

Mr. SLOAN. Now, I want to assure the Republicans, because I want to be square with them, I did not make an arrangement with the gentleman from Ohio to interrogate me as he has done. [Laughter.]

Mr. MADDEN. I will tell the gentleman the amount—\$106,000,000 out of \$130,000,000 left in the Treasury by the Republicans.

Mr. SLOAN. This measure calls for the sale of \$322,000,000 bonds and \$300,000,000 of short-time notes, or a total authorized increase of national indebtedness amounting to \$622,000,000.

This is an unwarranted assault upon the children living and those yet unborn.

During the late campaign we heard much about a beneficent child-labor law which many voted for because they believed in it, while others supported it because political exigencies dictated. The law was to prevent their little feet from running errands and their hands from arduous toil. We heard nothing about a contemplated interest-bearing indebtedness of \$622,000,000 to be laid upon their little backs to bear, together with grievous interest, on through life and down to the tomb; for if the ordinary running expenses of the Government can not be paid during profound peace at home, and in a period of foreign-war-stimulated prosperity, when can we hope for the payment of the principal debt?

Of course, the way for this enormous indebtedness was prepared by two smaller issues—first, \$20,000,000 for a nitrate plant; next, an issue of \$50,000,000 for a shipping bill; next—note the increase by more than geometrical progression—\$622,000,000. Bonds are common in this administration—bonds for breakfast; bonds for dinner; bonds for supper. Bonds! Bonds! Bonds!

The boast of a cloakroom jester that a Democratic Congress can issue more bonds in 4 years than a Republican Congress can pay in the next 25 years looks like it might come true. When you first came into power your appropriations were somewhat limited by the surplus, but now that your appropriations are from a deficit your appropriations are as unhampered as a deficit is limitless. The battle cries of this majority promises in its dying days to be made good.

A bas la surplus! Viva la debt!

Hoch der deficit! Long live the bond!

#### PROFITS.

The other provision of the measure is an 8 per cent tax on profits above 8 per cent realized on capital of corporations and partnerships, with a basic \$5,000 exemption. The rule adopted seems to be that of "Donnybrook Fair"—if you see a head, hit it. [Laughter.] Smite success! Slug excellence! "Seest thou a man diligent in his business," lay for him, swat him, teach him to fail successfully. Show him the meteoric course of our Treasury for four years. It flashed, flamed, and fell.

This administration came into power declaring its favor to the consumer, its enmity to the producer, and it is living up in part to its pledge. It has favored the indulger of his appetite; it has discriminated against the user of his hands. It is here penalizing the thrifty and protecting the spendthrift. It punishes solvency and rewards bankruptcy. [Laughter.]

This and the preceding Congress placed a tax on corporations; placed an income tax on men composing corporations; placed a stamp tax to hamper business procedure; now will inflict a special penalty upon profits.

Moreover, all or nearly all protection against unfair foreign competition was removed.

The diplomatic genius of foreign Governments, the strategy of their commerce, unhampered, at our ports are delivering frontal attacks, while our Government, frenzied by its own Treasury's insolvency and seemingly jealous of the solvency of many business concerns, would tax them to their injury, instead of investing them with a shield for their proper defense.

There is a White House legend that the President upon signing that great "bill of business wrongs" known as the Underwood law, rapturously exclaimed, "By this act do we make business free." Referring recently to this incident a business man said, "If this is business freedom, how we would enjoy the chains of tyranny."

Early in this administration business men were told if they failed or their business course made any trouble they would be "hung as high as Haman." Now they are told that if they succeed they will be hamstrung by taxation. [Laughter.] I have heard of a man being between the devil and the deep sea. But that position was not a circumstance compared to the business man's position between Wilson and KITCHIN. [Laughter.]

A burden upon business now is unwise because in the last four years business has suffered much. The total number of failures in 1909, 1910, 1911, and 1912 was 54,269, with liabilities of \$745,976,776, or an average per year of 13,567, with liabilities of \$186,494,194. The total number of failures in 1913, 1914, 1915, and 1916 was 73,061, with liabilities of \$1,107,309,799, or an average per year of 18,265, with liabilities of \$274,827,440.

With this large increase in the number of failures it is but fair to believe that many have been upon the verge of failure. If business has generally improved during the last 12 months, as evidenced by a slight decrease in the number of failures, why

should they not be given a fair opportunity to strengthen themselves for the inevitable shock which must come when the war stimulus has been withdrawn?

The following table shows the number of failures and liabilities for the last eight years, involving the two four-year periods discussed:

	Number.	Liabilities.
1909.....	12,924	\$154,608,465
1910.....	12,552	201,757,087
1911.....	13,241	185,498,823
1912.....	15,452	203,117,391
Total for last 4 years under Republican administration.....	54,269	745,976,776
Average per year for last 4 years under Republican administration.....	13,567	186,494,194
1913.....	15,632	250,802,535
1914.....	18,280	357,908,859
1915.....	22,156	302,286,148
1916.....	16,993	196,212,236
Total for first 4 years under Democratic administration.....	73,061	1,107,309,799
Average per year for first 4 years under Democratic administration.....	18,265	274,827,449
Per cent of increase.....	33	47

But there is an exception of agricultural partnerships. For this favor, "much thanks." It serves but one purpose to show the low estimate the majority of the Ways and Means Committee have for the farmers. Both the committee and the farmers know that farm partnerships are negligible in this country. The exception relates largely to farm profits going into a partnership concern in nearly every case engaged in some other general line of business. The exception would not be of any value to the farmer at all, who in nearly every case conducts his farming operations as an individual.

Mr. RAINEY. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Yes.

Mr. RAINEY. Permit me to call the gentleman's attention to the fact that in his own State every arrangement between the owner of a farm and his tenant by which they divide crops is a partnership.

Mr. SLOAN. That is not a partnership. It is the relation of lessor to lessee.

A mighty insignificant exception, after having by the Underwood law placed practically all northwestern farm products on the free list or radically reduced the duties, by which the Treasury has lost an average of \$60,000,000 per year; and this bill thereby is in part made necessary.

And, further, bonds have been authorized at a time when they are not selling as well as formerly to buy ships at the highest price water craft ever commanded, one large purpose of which buying is to carry competing farm products from Argentina to enter our ports free. This exception may be a quail of a cocained conscience on the part of the Ways and Means majority or its directing force; but if it is, we will wait till they have a real quail.

This bill should be defeated. It is presented on account of the inexcusable extravagances of the last four years by the Congress and administration, surpassing the reckless abandon of the inebriated mariner. All of this was in violation of the 1912 Baltimore platform pledge of economy. That pledge was:

We denounce the profligate waste of the money wrung from the people by oppressive taxation through the lavish appropriations of the recent Republican Congress which have kept taxes high and reduced the purchasing power of the people's toil. We demand a return to that simplicity and economy which befits a democratic government and a reduction in the number of useless offices, the salaries of which drain the substance of the people.

It should be defeated, because the opportunity is here and now to collect a large amount of needed revenue by returning to the sound tariff basis abandoned when the Underwood law was passed. There is nothing in this measure to obtain an additional dollar from the foreigner or protect an American industry.

Before the war the best thought and policy of the leading nations of the earth was in the continuance or adoption of a protective policy, save Britain alone. Now, with the stern test of war, all the world sees the wisdom of a protective policy. All admit it, Britain included, except the fatuous, purblind party in power in this country.

The best demonstration of the wisdom of protection coming out of the fiery ordeal of war is Germany. She had spent enormous sums in the development of a navy, but she could not meet on even terms the "mistress of the seas." Her army was two and a half years ago, and is probably to-day, the most effective land fighting machine ever organized on earth. But

no well-informed man will place Germany's army at the head of German achievement. Though the German Army is now smaller in numbers than are its opposing forces, the disparity is not so remarkable. The large outstanding fact is her industrial organization. With territory less in area than the State of Texas, and that duplicated by her ally, she is matched against the grainfields of the world, the herds of the plain, and the fishes of the seven seas. Moreover, her forests 50 years ago largely denuded, now re clothed, and her mines a half century ago undiscovered and undeveloped, all under the genius and industry of that marvelous people for two and a half years have fed, clothed, armed, and munitioned her own and allied armies, sustained the civilians at home, and (deprecating any thought of forecasting results) stands with no enemy foot upon her soil.

How was this brought about? At the close of the Franco-Prussian War the two most commanding statesmen of the world were Bismarck and Gladstone. Both were free traders, and both so directed their nation's policies. Their stand before the world made during that decade free trade respectable. Gladstone persisted in his free-trade policy, and so did his successors until the present period. The two nations are now at war. England neglected producing those things at home which she needed in time of peace and time of war, and depended on her overmastering fleet to bring from the four corners of the earth the products of forest, farm, factory, and mine for use of her citizens and Government. It is well known to all that in this conflict were it not for her overmastering fleet Great Britain would have been starved within 90 days after the beginning of the war, and her munitions, for lack of home supplies, would have been exhausted. But Bismarck, looking down the decades along the line of the Empire's forecasted destiny, saw that it was necessary to reverse the policy of Germany. He examined the protective policy of America, and proceeded to perfect it under the theory of protecting the products of the forest, farm, factory, and mine, so that in the prosecution of the arts and the industries of peace, as well as in the stress of war, Germany could depend upon that which was produced at home to fill her every want.

Mr. FESS. Will the gentleman allow me to interrupt him for a question?

Mr. SLOAN. If the gentleman will be brief.

Mr. FESS. There is another thing. At the time Bismarck put the German Empire under the protective tariff they had 36,000,000 people and did not produce sufficient to feed themselves. To-day she has 68,000,000 people, and when the war broke out she was a large exporting nation of foodstuffs. I do not know anything that is stronger than that.

Mr. SLOAN. That is well said. This should be the policy of America, throughout whose broad dominions there may be produced food for our hundred millions, whose products of our mines, forests, farms, and factories would be sufficient to meet the demands of peace and the necessities of war.

This bill at this time should adopt that theory and, in plain terms, put it through the process of legislation to meet the condition which will confront us when this war has closed.

Taking the ad valorem rate of duty on all products imported in the four years of 1910, 1911, 1912, and 1913 and applying it to the imports of 1916, the amount of revenue would have exceeded that actually collected under the Underwood law by \$213,224,815.

Of course, the lower rates and the extended free list would modify that to some extent. But as rates should be fixed with reference to the closing of the war at or before the reconvening of Congress next December we should take into account the fact that the war has been exercising a restraint upon imports. This is shown by the fact that during the last year before the war we received imports from Germany, Austria-Hungary, Belgium, and Turkey to the value of \$259,362,027, while last year they only amounted to \$17,007,498. So I submit another basis of the probable normal increase of import business from 1913 to 1916. From 1910 to 1913 imports increased 14 per cent, or \$219,530,276. Using this 14 per cent as a basis of increase, the imports for 1916 would have been \$1,914,025,929 and the increased revenue would have been \$158,686,631. It will be seen that working from these two bases the results are not so widely different. Accepting their average as approximately correct we have the probable annual increase of revenue under the rate of the 1909 act of \$185,955,723. This, extended over a period of 17 months, up to July 1, 1918, sought to be provided for in this bill, would give an increased revenue of \$263,451,431.

Further, by following the Republican platform in protecting the products of the mine, forest, factory, and farm a large number of articles now on the free list and which are being imported

and which compete with our own products would be placed on the protected list and from which \$50,000,000 per year could be raised. Among these might be suggested asbestos, coal, copper, cotton, hair of cattle and horses, hides except kangaroo, mineral oils, and sulphate of ammonia.

This rule would leave on the free list all noncompetitive necessities, such as tea, coffee, rubber, and many drugs.

Do this and you will not have to use a bond, or you can cut out short-time notes, or you can leave further inheritance taxes to the States and cut down one-half the burden upon business.

Reduced revenues at the ports can no longer be excused by the existence of war. The imports for the fiscal year of 1916 enormously exceeded those of any year in our history, and the prospect for 1917 indicates an increase over 1916 of nearly \$400,000,000.

Then, with the coming of peace, as come it must, with the public debts of the battling nations amounting to over \$100,000,000,000, with an annual interest charge of over \$5,000,000,000, with the United States in possession of nearly one-half of the gold of the world and one-third of its wealth, industrial forces now at work, reinforced by 20,000,000 men from the disbanding ranks, will be hurling their products of farm, mine, forest, and factory upon our markets, which, even with a reasonable tariff at our ports, the flood will be enormously increased. I have little doubt that our imports will be, during the first two years after the close of the war, twice as great as they are now during the war. So, should the war close by October 1, 1917, a large increase of imports will be made long before the following July and the large part of our deficit met by collections from the foreigner of nearly \$400,000,000, American industries will have been protected, and the United States, taught by lessons of the great struggle, would be well on her way toward developing from her own resources all that this country might need under the blessings of peace or the stress of war.

But no; we have a debauched and depleted Treasury, assailed and defenseless industries. You are content with "taking no thought of the morrow."

It was during the reign of Louis XV of France. Unsuccessful foreign wars, like our own of the last two years, and unbridled extravagances had emptied the national treasury. The advice of constitutional advisers was ignored for the more welcome soft-spoken suggestions of Mme. Pompadour. She was like some modern people who, accepting public position with a special jurisdiction, construe it to mean appointment as general manager. As troubles thickened about the aged monarch, he had a vision of what was to happen under his successor, including glimpses of the revolution and mutterings of the reign of terror. One day he asked Mme. Pompadour, "What of France after we are gone?" She answered with all her wisdom and wickedness, concentrating into the measure of a single phrase what this bill, with all its provisions, conditions, legal verbiage, and legislative rhetoric, conveys to an inquiring and despairing public, reckless, taunting, hopeless, "After us, the deluge."

Let the country understand that no Republican member of the Ways and Means Committee is in anywise responsible for one syllable of this legislative enormity. The eight minority members, representing, first, a majority of the votes cast in the election of 1914 and 1916, and, secondly, representing an overwhelming majority of those who are to materially contribute to the payment of the taxes to be levied and the debt created by this bill, were never admitted to their own committee room during the deliberations upon this bill until it was presented in its final form. And during that session reading of the bill was refused, as was also any time for consideration or deliberation.

That the first intimation of the substantial terms of the bill came when the Washington papers announced that President Wilson, Secretary McAdoo, and Chairman KITCHIN had agreed on bonds and inheritance and profit taxes. What they agreed upon has not been changed, nor will any substantial change take place. To what a low estate has our House of Representatives fallen! The constitutional taxing body surrendering to the Executive and the Secretary of the Treasury!

Just at this time we are tempted to make some obvious comparisons between our first President and his Secretary of the Treasury and our last—Washington and Hamilton, Wilson and McAdoo—Washington delivering his Farewell Address to the country, Wilson his salutatory to the Senate; one admonishing the people, when the price of liberty and independence was yet fresh in their memories, to make no doubtful experiments, to retain a splendid isolation, and make no entangling alliances; the other, from our position of power, advised to take a doubtful position in a world league for enforced peace, the possibilities causing us to stand aghast; one, the argument of experience had in battle, convention, and Cabinet; the other, the

plea of a theory, risking the progress and development of more than a century upon the doubtful issue of the greatest experiment ever proposed in history. It is a far cry from 1796 to 1917, but a mighty contrast between the strength and stability of Washington and the felicity and flexibility of Wilson.

Of the Secretaries, Hamilton started with an empty Treasury; he filled it. McAdoo started with a full Treasury; he emptied it. [Applause.]

Said Daniel Webster, speaking of the first Secretary:

He smote the rock of our national resources and an abundant stream of revenue burst forth. He touched the dead corpse of public credit and it sprang upon its feet.

Of McAdoo it might be said, "He smote the generous stream of our national revenues and the barren wall of deficit confronted him. He touched the living form of our national finances and it sank, a shriveled corpse."

This bill seeks to galvanize the corpse. [Applause.]

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. OLNEY].

Mr. OLNEY. Mr. Chairman, I was one of the 13 men in the Democratic caucus who reserved the right to dissent from the majority report of the Ways and Means Committee. Perhaps it is just as well to have doubting Thomases once in a while, because they become more enthusiastic Matthews, Marks, Lukes, and Johns in the end.

I am supporting this bill this evening, gentlemen, as a good, sound business proposition. [Applause.] I have examined it from every standpoint, and I ask you on that side of the House why can not some of you at least, anyway, come over on this side of the House as liberal-minded, good business men and support this proposition? We can not raise the revenue consistently under a high protective tariff system.

I have listened with interest to the remarks of my good friend from Michigan [Mr. FORDNEY], and I believe he was right in opposing the Government shipping bill, as I opposed it, with one other Democrat, a year ago in this House as not being a good business proposition. This Government will go out into the market and purchase ships at four times their normal value under the shipping bill. But why can not you gentlemen also realize that this is a good business proposition? There are now 12 men left who are probably dissentient, but you remember the little piece of poetry that runs as follows:

Twelve little negroes looking up to heaven,  
One saw the light, and then there were eleven.

I trust we may go down the line until there will be left but seven, and then I believe that this bill will pass.

You claim, my friends on this side of the House, that under a protective tariff bill America can raise an enormous revenue from wool. Anticipating such a course as this, and being in the wool business in Boston, at 233 Sumner Street, which business I conduct through a partner, I asked that partner through a telegram if an embargo on wool still existed on the part of England toward the United States, and he telegraphs me as follows:

BOSTON, MASS., January 30, 1917.

HON. RICHARD OLNEY, 2D,  
489 House Office Building, Washington, D. C.:

Embargo tightly enforced; some indefinite talk of future release of small quantity wool under control of British Government. If released, quality of wool presumed will be burry and faulty, which can not be used by English manufacturers.

GORDON F. L. ROGERS.

It is well known to those on the other side of the House who are familiar with the wool situation that the only country in the world to-day which has increased its wool supply under war conditions is Australasia, and Australasia produces to-day a yearly crop of about 1,000,000,000 pounds, and under normal conditions in many years often half of that crop is shipped to this country.

And we, too, use a large supply of the New Zealand crop, the English wool, the Irish wool, the Scotch wool, and the Canadian wool, and if an embargo is placed upon these wools, where are we going to get the revenue by placing a tariff on wool?

Now, perhaps we could raise revenue from other commodities, but they would affect the wage earner to a greater or less extent to-day. What pleases me about this bill is that it affects me, and if I make an exorbitant profit on my wool business to-day I want to pay it to the Government.

The other night I exemplified before the caucus of this House my own case in confidence, and I took the caucus into my confidence when I said I presumably had a capital stock of about \$20,000, representing capital and undivided profits, and it figured out that my firm on the basis of \$8,000 profits in a normal year paid only \$112 tax, and my share of the tax was only half of that.

I know of a concern 40 miles from my house as the crow flies which is making a profit of \$15,000 a week upon war muni-

tions. I have often wondered how we could really get at those concerns which were making exorbitant profits upon war munitions, and this seems to me to be the best, the wisest, and the most feasible way. Figuring out that this concern makes in a year upon war munitions \$800,000 war profits, or \$15,000 a week, after 8 per cent on its capitalization is deducted—after a deduction of \$5,000, it would leave \$771,000—and 8 per cent of that, or \$61,680, is but a fair tax upon the enormous profit of \$800,000.

Mr. FESS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Ohio?

Mr. OLNEY. Yes.

Mr. FESS. The ammunition profits are not likely to continue after the war, are they?

Mr. OLNEY. That is all right, I will say to my good friend from Ohio; but this is an emergency measure that might be repealed after the war is over, and you or I do not know whether this war will continue a year, or two years, or six months.

Mr. FESS. Is it not the plan that this tax shall be permanent?

Mr. OLNEY. I do not so figure it out.

Mr. FESS. May I ask the gentleman another question?

Mr. OLNEY. Yes.

Mr. FESS. Does not the gentleman think this is going to be disappointing in the amount of revenue it will produce?

Mr. OLNEY. No; I do not really think so. I think lots of property will be uncovered and lots of profits uncovered which the Committee on Ways and Means can not estimate the existence of.

Perhaps there is one section of the bill which I would take exception to, and that is the section concerning the exemption of agricultural proceeds. I do not mean the exemption of intensive farming, where a man gets out with his overalls on and earns his living in that way; but I know of a concern in Massachusetts which purchases hogs and manufactures sausage and purchases and sells milk and cheese; to my knowledge its gross receipts in the last fiscal year were \$970,000. Now, it seems to me that that is a real business corporation, not a farm, and it should be taxed upon its profits.

Mr. KELLEY. Mr. Chairman, will the gentleman yield?

Mr. OLNEY. Yes.

Mr. KELLEY. Would the gentleman think that such a corporation as he speaks of ought to be classed as an agricultural corporation?

Mr. OLNEY. I think so, under that section of the bill, and that is the reason why I would either like to see that section stricken out or have it changed so as to mean only intensive farming.

Mr. KELLEY. Would it not exempt the Chicago packers?

Mr. OLNEY. It would not, according to my construction of the bill.

Mr. KELLEY. Would it exempt sugar packers?

Mr. OLNEY. I do not think so.

Mr. KITCHIN. This bill does not exempt packers at all.

Mr. FESS. I would like to have the gentleman's view on the same question that I asked of the chairman of the committee. Does not the gentleman think it is a wrong method of legislation to discriminate in favor of one as against another citizen?

Mr. OLNEY. No, sir; I do not; because I have always believed that brains, intelligence, and industry should be taxed as against those of our brothers who are perhaps more unfortunate. If I have a little more capacity than my brother, I am willing to pay the difference in a tax. [Applause on the Democratic side.]

Mr. FESS. If the gentleman will permit, it has always appeared to me that a willingness to pay a tax to support the Government ought to be regarded as a virtue to be cultivated and the tax as not an evil to be shunned, and therefore it strikes me that we ought to cultivate the idea of supporting the Government by each one of us being willing to pay a tax.

Mr. OLNEY. My friend from Ohio probably believes in indirect taxation?

Mr. FESS. Yes; I do.

Mr. OLNEY. Under normal conditions I myself believe probably in a so-called horizontal tax; but in these times, to my mind, there could be no better business proposition presented before the people of this country than to tax those corporations and firms which are making exorbitant profits on account of the European war. [Applause.]

Mr. KITCHIN. I will ask the gentleman from Michigan if he wishes to yield any of his time now?

Mr. FORDNEY. I yield to the gentleman from New York [Mr. SNYDER] seven minutes.

The CHAIRMAN. The gentleman from New York [Mr. SNYDER] is recognized for seven minutes.

Mr. SNYDER. Mr. Chairman, I am going to vote against this bill, not because the revenue sought to be raised by it is not needed, but because I do not believe it is the right and proper way to raise such revenue at this time.

I favor most of the expenditures which are being made by Congress, and which were made at the last session. These include provision for the increase of the Army and the Navy with sufficient equipment, including the Aero Service, which should make us so strong on land and sea and in the air that no nation would dare attempt to invade our shores.

I also voted for and favored the expenditures for public buildings and for rivers and harbors, because I believe in progress. I believe you can not make one part of this great country prosperous without, indirectly at least, benefiting the entire Nation.

What I object to is this method of taxation. Being a protectionist, of course, I believe in raising all revenue possible through the medium of tariff duties. This seems to me to be a much more equitable and satisfactory method of raising revenues, especially as in most cases the exporter pays the duties.

If when the Democratic Party came into power it had continued for the last three years the Payne-Aldrich tariff bill exactly as it was, it would have been unnecessary to have increased the corporation or income taxes last year, neither would this excess tax now proposed have been necessary.

This continued yearly burden that you gentlemen on the other side of the Chamber are putting on industry will in normal times depress and destroy initiative. Manufacturers and business men will not know what to expect; in fact, they do not now know what will next happen.

The viewpoint of the gentlemen who have the making of these tax measures seems to be centered only upon the man who has demonstrated his ability to make a dollar, and when they find him to take that dollar away from him.

It is my belief that the men of this country who demonstrate the ability to create industries to the extent that they are sufficient in magnitude to compete with world conditions and competition will not submit year after year to this sort of legislation. They have reached a point where they do not so much object to taxation, but they do object to the methods used in collecting that tax by the servants of your Government; by men, either competent or incompetent, who come searching into their business affairs; men who appear at any time demanding to see their private ledgers, their profit accounts, or their corporation accounts, refusing sworn statements as to these accounts and these businesses.

The theory of these men and the theory of the party which is back of them seems evidently to be that any man who operates a business and makes money is a crook.

It is my belief that at least 98 per cent of the so-called manufacturers, merchants, and business men of this country are patriotic and willing to pay a fair share of the taxes of the Government, but most of them resent this method of being searched every morning to see if they have anything left overnight that the Government can take from them.

It seems singular to me that any man who has sufficient strength in a community to be elected to a body such as this could possess a mind so narrow that he could believe the president and treasurer of a corporation, or two gentlemen who are partners in a business, would go before a notary and make false oath to save a few dollars on a Government tax.

This method of "digging in"—it might be called a "ferret" system—to the affairs of the business men of this country is, in my judgment, bound to kill the goose which lays the golden egg.

I believe the laboring men of this country, the farmers of this country, the ordinary gentleman who has retired from the farm to a home in the village to spend his last days quietly and peacefully, do not object to taxation.

Each of them wishes to pay his fair and proportionate share of the expenses necessary to the operation of this Government and making it the best operated Government in the world.

Each of them want it equipped and maintained on a basis that will permit every man and woman and child in America to go their way through the streets of any city at home or in any other country, peacefully, proudly, with their heads up, knowing that they are protected and guarded, efficiently and willingly, by the flag of this Republic.

They have contributed their tax for that protection freely and cheerfully and insist that it be so expended as to enable us to attain and maintain that position in the galaxy of nations. [Applause.]

I yield back the remainder of my time.

The CHAIRMAN. The gentleman from New York yields back two minutes.

Mr. KITCHIN. I yield 10 minutes to the gentleman from Illinois [Mr. TAVENNER]. [Applause.]

[Mr. TAVENNER addressed the committee. See Appendix.]

Mr. FORDNEY. Mr. Chairman, may I ask the gentleman from North Carolina if now is the proper time to ask for permission to extend remarks in the Record?

Mr. KITCHIN. I will say to the gentleman it is customary to ask for that permission in the House, and I will ask that permission of the House this afternoon.

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. WATSON].

Mr. KITCHIN. And, Mr. Chairman, after this gentleman has finished I will move that the committee rise.

Mr. WATSON of Pennsylvania. Mr. Chairman, as my time is limited, I will not attempt to go into figures. The gentleman from Michigan very clearly made a statement relative to the import and export statistics, and if we followed his philosophy the committee would not have had to bring in this bill, loaded with direct taxes. I will vote against it, because I can not support a bill providing for a system of revenue which, in my opinion, will lower the wages of our workmen, bring adversity to our industries, and burden our people with excessive direct taxation.

One year ago, in my extension of remarks, I said:

The problem of taxation has been always a troublesome question for the Democratic Party to solve.

They did not find the solution in the Underwood Tariff Act, by which they endeavored to meet the expenses of the Government without increasing the taxes.

Inquire of history and you will learn that all free-trade administrations have had the same record—deficit in the Treasury.

My observation has been verified by the statement issued by the United States Treasury, and is evidenced by the national debt.

This bill proposes to devise the means by which the Nation's obligations can be met.

The taxpaying people of our country will acquiesce in the assertion that this is the most unpopular revenue bill that ever has been presented to this House, and that it is in sympathy with the most extravagant administration in the history of American legislation.

The great Democratic Party withdrew from their economical principles when \$150,000,000 was deposited to their credit upon their elevation to power, and they have continued in that departure until the public debt has assumed the enormous proportions of hundreds of millions of dollars. [Applause on the Republican side.]

The gentlemen on that side of the aisle can well afford to bring this bill into the House and force its passage, because the people whom they represent will contribute a very small percentage of the taxes if this bill becomes a law.

The corporations and industries will pay a large part of the Federal taxes, and the few Eastern States, where they are mostly located, will enrich the Treasury by many millions, a large part of which, however, will be drawn to build post offices in the small towns and dredge shallow creeks in the privileged sections of the country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I yield two minutes more to the gentleman.

Mr. WATSON of Pennsylvania. The protective tariff of the Republican Party was the energy which developed our great resources and expanded our industries to that degree which has given us the position of being the richest Nation of the world, and now the Democratic Party depends upon that prosperity from which to collect a revenue to meet the unparalleled and intemperate Democratic disbursement of the moneys of the public purse.

You, my Democratic friends, refused to protect those industries by tariff legislation; therefore in your course you have been forced to issue bonds in order to raise a revenue to pay the current expenses of the Government in times of peace. Similar proceedings can not be found anywhere in the records of the many Republican administrations.

Mr. Chairman, I fully recognize your right to legislate and your high privileges, but your policies will never maintain prosperity in our Nation. Your proposed plan of taxing the profits of corporate and private concerns is only another way of arriving at the direct taxation on their manufactured products. Thus you hope to raise a revenue to meet the Nation's debts, a scheme which not only fails to protect our industries but will add an additional burden by a direct taxation. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. Mr. WATSON of Pennsylvania. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WATSON] asks unanimous consent to extend his remarks in the Record. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SHERLEY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 20573, the revenue bill, and had come to no resolution thereon.

#### THE NAVAL ESTABLISHMENT.

Mr. PADGETT. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman rise? Mr. PADGETT. I rise for the purpose of reporting from the Committee on Naval Affairs a bill making appropriations for the Naval Service for the fiscal year 1918, and for other purposes, and to accompany it with a report (No. 1392).

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (H. R. 20632) making appropriations for the Naval Service for the fiscal year ending June 30, 1918, and for other purposes.

The SPEAKER. The bill and report are referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. BROWNING. Mr. Speaker, I reserve all points of order on the bill.

Mr. PADGETT. Mr. Speaker, I desire to ask that the minority members of the committee have to-morrow in which to present minority views.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the minority members of the committee may have until to-morrow night to file their minority views. Is there objection? [After a pause.] The Chair hears none.

#### EXTENSION OF REMARKS.

Mr. THOMAS S. WILLIAMS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing a letter from Arthur N. Sager to George W. Perkins.

The SPEAKER. The gentleman from Illinois asks unanimous consent to print in the Record a letter from Arthur N. Sager to George W. Perkins. Is there objection?

Mr. DYER. Reserving the right to object, will the gentleman give us some idea of what the letter is?

Mr. THOMAS S. WILLIAMS. It is a letter from Mr. Sager to Mr. Perkins in answer to a letter to him about the reorganization of the Republican Party.

Mr. DYER. I have no objection.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. ADAMSON. Mr. Speaker, I desire to beseech the House for unanimous consent to insert in the Record a couple of letters from the Secretary of War.

The SPEAKER. The gentleman from Georgia [Mr. ADAMSON] asks leave to extend his remarks in the Record by inserting two letters from the Secretary of War. Is there objection? [After a pause.] The Chair hears none.

#### PRINT OF VETO MESSAGE (H. DOC. NO. 2003).

Mr. BURNETT. Mr. Speaker, I would like to ask unanimous consent for a print of the veto message on the immigration bill (H. R. 10384), if that can be done without interference with its status on the table, for the information of the House.

The SPEAKER. The gentleman from Alabama asks unanimous consent that the President's veto message on the immigration bill shall be printed for information, it still being on the Speaker's table.

Mr. STAFFORD. To be printed as a House document?

Mr. BURNETT. No; just for information.

Mr. STAFFORD. What for?

Mr. BURNETT. For printing in the Record.

Mr. MADDEN. To be distributed to Members of the House?

The SPEAKER. It has already been printed in the Record.

Mr. BURNETT. Then I ask that it be printed as a House document.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

#### ORDER OF BUSINESS.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent to dispense with the business on Calendar Wednesday in order to-morrow.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to dispense with the business on Calendar Wednesday in order to-morrow.

Mr. MADDEN. Reserving the right to object, Mr. Speaker, is it the intention to continue in session to-morrow night if we have to run after 7 o'clock for the purpose of voting for this bill?

Mr. KITCHIN. No. I would like to run to-morrow night until 7, not later than 7.30 anyway. I say 7 o'clock. We are in hopes that we can finish to-morrow night at that time.

Mr. MADDEN. But if you can not reach a point where we can vote on it at that time—

Mr. KITCHIN. It will go over until Thursday.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none.

#### HOOR OF MEETING TO-MORROW.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection? [After a pause.] The Chair hears none.

#### LEAVE TO PRINT ON REVENUE BILL.

Mr. KITCHIN. Mr. Speaker, I desire to make another unanimous-consent request. I ask unanimous consent that all Members who have spoken or will speak on the revenue bill be given the right to extend and revise their remarks in the Record.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, why does not the gentleman extend that to all Members whether they speak or not?

Mr. KITCHIN. I understand they will have time to put in the Record anything they want. As to the gentlemen who have not spoken on the revenue bill, I ask unanimous consent that they be given the right to extend their remarks in the Record for five calendar days after the passage of the bill.

The SPEAKER. The gentleman from North Carolina [Mr. KITCHIN] makes two requests at once. The first one is that those who have spoken or may speak on this revenue bill have the right to extend and revise their remarks. Is there objection to that? [After a pause.] The Chair hears none.

The second request is that all gentlemen who do not speak have five calendar days in which to revise and extend their remarks. Is there objection? [After a pause.] The Chair hears none.

#### EXTENSION OF REMARKS.

Mr. DYER. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill S. 706, pending in the House from the Committee on the Judiciary.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks on the bill S. 706, now pending in the House. Is there objection? [After a pause.] The Chair hears none.

#### ENROLLED BILL AND JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled bill and joint resolution of the following titles:

S. 7537. An act authorizing the Western New York & Pennsylvania Railway Co. to reconstruct, maintain, and operate a bridge across the Allegheny River, in the town of Allegany, county of Cattaraugus, N. Y.; and

S. J. Res. 202. Joint resolution to enable the Secretary of the Senate and the Clerk of the House of Representatives to pay the necessary expenses of the inaugural ceremonies of the President of the United States on March 5, 1917.

#### ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p. m.) the House, under its previous order, adjourned until to-morrow, Wednesday, January 31, 1917, at 11 o'clock a. m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of the Interior submitting a supplemental and additional estimate of appropriation for contingent expenses of Land Office, for the fiscal

year ending June 30, 1918 (H. Doc. No. 1999); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Ohio River at Uniontown, Ky., with a view to removing the sand bar in front of the wharf or landing, and to determine whether a levee should be constructed in front of said town in the interest of navigation (H. Doc. No. 2000); to the Committee on Rivers and Harbors and ordered to be printed.

3. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination and estimate for the removal of shoal spots in the westerly entrance of the Point Judith Harbor of Refuge, Rhode Island, and in the harbor itself (H. Doc. No. 2001); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

4. A letter from the Secretary of Commerce, transmitting a detailed statement of the number of publications received and the number distributed by this department during the fiscal year 1916 (H. Doc. No. 2002); to the Committee on Expenditures in the Department of Commerce and ordered to be printed.

5. A letter from the Secretary of Commerce, transmitting petition from the employees in the office of the local inspectors of the Steamboat-Inspection Service, Oswego, N. Y., requesting an increase in their compensation on account of the increased cost of articles of common consumption; to the Committee on Appropriations.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the joint resolution (H. J. Res. 358) authorizing the granting of permits to the committee on inaugural ceremonies on the occasion of the inauguration of the President elect in March, 1917, etc., reported the same with amendment, accompanied by a report (No. 1375), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the Committee on the Library, to which was referred the joint resolution (H. J. Res. 347) authorizing the removal of the statue of Admiral Dupont, in Dupont Circle, in the city of Washington, D. C., and the erection of a memorial to Admiral Dupont in place thereof, reported the same without amendment, accompanied by a report (No. 1376), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SIMS, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 20574) granting the consent of Congress to the county commissioners of DeCATUR County, Ga., to reconstruct a bridge across the Flint River at Bainbridge, Ga., reported the same without amendment, accompanied by a report (No. 1377), which said bill and report were referred to the House Calendar.

Mr. DECKER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 20082) to amend an act entitled "An act to authorize the establishment of a bureau of war-risk insurance in the Treasury Department," approved September 2, 1914, reported the same without amendment, accompanied by a report (No. 1378), which said bill and report were referred to the House Calendar.

Mr. MONTAGUE, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 20534) granting the consent of Congress to Washington-Newport News Short Line, a corporation, to construct a bridge across the Potomac River, reported the same without amendment, accompanied by a report (No. 1379), which said bill and report were referred to the House Calendar.

Mr. DILLON, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 1697) to declare Ollala Slough, in Lincoln County, Oreg., nonnavigable, reported the same without amendment, accompanied by a report (No. 1380), which said bill and report were referred to the House Calendar.

Mr. RAYBURN, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 20535) permitting the Conway County bridge district to construct, maintain, and operate a bridge across the Arkansas River, in the State of Arkansas, reported the same with amendment, accompanied by a report (No. 1381), which said bill and report were referred to the House Calendar.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. ALEXANDER, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (S. 5985) authorizing the Commissioner of Navigation to cause the steamship *Republic* to be enrolled and licensed as a vessel of the United States, reported the same without amendment, accompanied by a report (No. 1373), which said bill and report were referred to the Private Calendar.

Mr. CALDWELL, from the Committee on Military Affairs, to which was referred the bill (H. R. 19630) for the relief of Thomas Campbell, reported the same with amendment, accompanied by a report (No. 1374), which said bill and report were referred to the Private Calendar.

Mr. PETERS, from the Committee on Claims, to which was referred the bill (H. R. 16220) for the relief of First Lieut. Albert K. C. Palmer, United States Army, reported the same without amendment, accompanied by a report (No. 1382), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 11312) for the relief of J. H. Livingston, reported the same with amendment, accompanied by a report (No. 1383), which said bill and report were referred to the Private Calendar.

Mr. STEPHENS of Mississippi, from the Committee on Claims, to which was referred the bill (H. R. 20424) for the relief of William S. Colvin, reported the same without amendment, accompanied by a report (No. 1384), which said bill and report were referred to the Private Calendar.

Mr. RUSSELL of Ohio, from the Committee on Claims, to which was referred the bill (H. R. 18618) for the relief of Wickliff Fry, for horse lost while hired by the United States Geological Survey, reported the same with amendment, accompanied by a report (No. 1385), which said bill and report were referred to the Private Calendar.

Mr. DIES, from the Committee on Claims, to which was referred the bill (H. R. 8788) for the relief of Lyman D. Drake, jr., reported the same with amendment, accompanied by a report (No. 1386), which said bill and report were referred to the Private Calendar.

Mr. CAPSTICK, from the Committee on Claims, to which was referred the bill (H. R. 10506) for the relief of Dr. F. C. Cady, reported the same with amendment, accompanied by a report (No. 1387), which said bill and report were referred to the Private Calendar.

Mr. STEPHENS of Mississippi, from the Committee on Claims, to which was referred the bill (S. 2704) for the relief of Albert L. Ream, reported the same with amendment, accompanied by a report (No. 1388), which said bill and report were referred to the Private Calendar.

Mr. EDMONDS, from the Committee on Claims, to which was referred the bill (H. R. 12610) for the relief of Emma H. Ridley, reported the same without amendment, accompanied by a report (No. 1389), which said bill and report were referred to the Private Calendar.

Mr. FIELDS, from the Committee on Military Affairs, to which was referred the bill (S. 3973) for the relief of Clyde R. Altman, reported the same without amendment, accompanied by a report (No. 1390), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (S. 4473) for the relief of Charles G. Griffa, reported the same without amendment, accompanied by a report (No. 1391), which said bill and report were referred to the Private Calendar.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SCULLY: A bill (H. R. 20629) to provide for the commissioning of graduates of the United States Military Academy, and for other purposes; to the Committee on Military Affairs.

By Mr. SIMS: A bill (H. R. 20630) to authorize the President of the United States in certain emergencies to take possession of and operate the lines of a commerce carrier engaged in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LINDBERGH: A bill (H. R. 20631) authorizing the county of Beltrami, Minn., to construct a bridge across the Mississippi River in said county; to the Committee on Interstate and Foreign Commerce.

By Mr. PADGETT: A bill (H. R. 20632) making appropriation for the naval service for the fiscal year ending June 30, 1918, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. KINKAID: A bill (H. R. 20657) to amend clause 1, section 12, of the Federal farm-loan act to authorize loans to be made on lands under reclamation projects entered under the reclamation act, and lands in private ownership brought under such projects, on certain conditions; also on irrigated lands, other than the two classes specified, in certain cases; to the Committee on Banking and Currency.

By Mr. STEENERSON: Resolution (H. Res. 477) requesting the Attorney General of the United States to inform the House in regard to proceeding against the binder-twine monopoly; to the Committee on the Judiciary.

Also, resolution (H. Res. 478) requesting the Secretary of State to inform the House if any action has been taken to secure relief from the Binder Twine Trust; to the Committee on Foreign Affairs.

By Mr. GALLIVAN: Resolution (H. Res. 479) expressing the sense of the American Congress that there can be no permanent peace except upon the principle that Governments derive their powers from the consent of the governed; to the Committee on Foreign Affairs.

By Mr. BRITTON: Resolution (H. Res. 480) directing the Committee on Foreign Affairs to investigate charges against American consular officers; to the Committee on Rules.

By Mr. CARY: Resolution (H. Res. 481) providing for a congressional committee to investigate the condition of the Chicago River, and make recommendations thereto; to the Committee on Rules.

By Mr. MANN: Concurrent resolution (H. Con. Res. 70) authorizing the printing of digest of contested election cases in the House of Representatives from 1901 to 1917, etc.; to the Committee on Printing.

By Mr. GANDY: Memorial from the Legislature of the State of South Dakota, requesting that Fort Meade, S. Dak., be designated as a citizens' training camp; to the Committee on Military Affairs.

#### PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOOHER: A bill (H. R. 20633) granting an increase of pension to Senora H. Hollenbeck; to the Committee on Pensions.

By Mr. BRITT: A bill (H. R. 20634) granting a pension to George Stillman; to the Committee on Invalid Pensions.

By Mr. BYRNS of Tennessee: A bill (H. R. 20635) granting an increase of pension to James K. P. Wayman; to the Committee on Invalid Pensions.

By Mr. CALDWELL: A bill (H. R. 20636) granting a pension to Mary Thompson; to the Committee on Pensions.

By Mr. CANTRILL: A bill (H. R. 20637) granting an increase of pension to Mrs. Sallie M. Cohen, widow of Henry Cohen; to the Committee on Pensions.

Also, a bill (H. R. 20638) granting an increase of pension to F. G. McGuire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 20639) granting an increase of pension to Joseph McGuire; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 20640) to increase the pensions of the widows of the War with Mexico; to the Committee on Invalid Pensions.

Also, a bill (H. R. 20641) granting a pension to Mrs. Frank Schultz; to the Committee on Invalid Pensions.

By Mr. COPLEY: A bill (H. R. 20642) granting an increase of pension to Mrs. Josephine Freeman, on account of invalid daughter; to the Committee on Invalid Pensions.

By Mr. CRAGO: A bill (H. R. 20643) granting a pension to Edwin J. Cholewa; to the Committee on Pensions.

By Mr. DICKINSON: A bill (H. R. 20644) for the relief of the heirs of William J. Crabtree, deceased; to the Committee on War Claims.

Also, a bill (H. R. 20645) for the relief of the heirs of Ezekiel Evans, deceased; to the Committee on War Claims.

By Mr. GANDY: A bill (H. R. 20646) granting a pension to Carl J. Nelson; to the Committee on Pensions.

By Mr. GRIEST: A bill (H. R. 20647) granting a pension to Milton Inners; to the Committee on Invalid Pensions.

By Mr. HICKS: A bill (H. R. 20648) granting a pension to Kate E. Gilbert; to the Committee on Pensions.

By Mr. MORGAN of Oklahoma: A bill (H. R. 20649) granting an increase of pension to Newitt F. Gorrell; to the Committee on Invalid Pensions.

By Mr. PORTER: A bill (H. R. 20650) granting an increase of pension to Winfield S. Barr; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 20651) granting an increase of pension to Ezekiel Bogard; to the Committee on Invalid Pensions.

By Mr. REILLY: A bill (H. R. 20652) granting a pension to Ferdinand Fetter; to the Committee on Invalid Pensions.

By Mr. ROWE: A bill (H. R. 20653) to waive the age limit in the appointment of Hal C. Sanborn; to the Committee on Military Affairs.

By Mr. RUSSELL of Missouri: A bill (H. R. 20654) granting an increase of pension to Oscar Grant; to the Committee on Invalid Pensions.

By Mr. SHOUSE: A bill (H. R. 20655) granting an increase of pension to Edwin A. Welch; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 20656) granting an increase of pension to Samuel A. Maxfield; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Petition of general grievance committee of Brotherhood of Railroad Trainmen, Burlington system, protesting against House bill 19730; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWNING: Petition of the Tabernacle Methodist Episcopal Church, of Camden, N. J., urging adoption of a constitutional amendment forbidding polygamy and polygamous cohabitation within the United States or any place subject to their jurisdiction; to the Committee on the Judiciary.

By Mr. BRUCKNER: Protests from James M. Akin, Messrs. Bulkin & Rosenthal, James M. Brander, Joseph Camissa, Cliff & Aldrich, Calef Bros., Daisy Whitehead Co., Sol Edman & Son, M. Falek & Son, Harry Goldstein, S. Geisman, M. E. Greenfield, Hart Kirtland Co., Samuel Jafe, Jesse Lazar, Oscar Levy, the Potter Textile Co., the Preston Shirt Co., Samstag & Hilder Bros., A. Steinhardt & Bro., L. Seibert & Bro., and Joseph S. Whiteside, against regulation of radio communication; to the Committee on the Merchant Marine and Fisheries.

By Mr. BYRNS of Tennessee: Papers accompanying bill granting an increase of pension to James K. P. Wayman; to the Committee on Invalid Pensions.

By Mr. CARY: Petition of George C. Markham, protesting against the passage of the revenue bill in its present form; to the Committee on Ways and Means.

Also, petition of Massachusetts State Board of Trade, favoring extension of the powers of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. CLINE: Petition of Auburn (Ind.) citizens, protesting the passage of the Post-Office appropriation bill; to the Committee on the Post Office and Post Roads.

Also, petition of Grabill (Ind.) citizens, favoring the national constitutional prohibition amendment; to the Committee on the Judiciary.

Also, petition of citizens of Allen County, Ind., favoring the placing of an embargo on foodstuffs; to the Committee on Interstate and Foreign Commerce.

Also, petition of Fort Wayne (Ind.) citizens, favoring an embargo on food products to European countries; to the Committee on Interstate and Foreign Commerce.

By Mr. CURRY: Petition of Mrs. J. W. Duncan and 59 other women residents of Woodland, Cal., protesting against the Randall rider to the Post Office appropriation bill in reference to postal rates on second-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. DALE of New York: Petition of National Educators' Conservation Society, New York City, favoring the migratory-bird treaty bill; to the Committee on the Public Lands.

Also, petition of Louis J. Robertson, protesting against the revenue bill; to the Committee on Ways and Means.

Also, petition of United Leather Workers of the World, Philadelphia, Pa., protesting against militarism; to the Committee on Interstate and Foreign Commerce.

Also, petition of Henry W. Thurston, member of criminal courts committee, New York City, favoring legislation to establish a probation system in the United States courts; to the Committee on the Judiciary.

Also, petition of Horace L. Houghton, chief probation officer, Woodbury County, Iowa, favoring legislation to establish a probation system in the United States courts; to the Committee on the Judiciary.

By Mr. DRUKKER: Petition adopted by the Board of Education of Paterson, N. J., favoring an appropriation for field service for training alien population of the United States for citizenship; to the Committee on Appropriations.

By Mr. EAGAN: Petition of A. N. Dell, Woodbury, N. J., favoring the Susan B. Anthony amendment; to the Committee on the Judiciary.

Also, petition of central committee, Leather Workers of the World, Philadelphia Pa., protesting against militarism; to the Committee on Interstate and Foreign Commerce.

Also, petition of Mary R. Hall, Montclair, N. J., favoring protection of migratory birds under the treaty with Canada; to the Committee on Foreign Affairs.

Also, petition of National Educators' Conservation Society, New York City, protesting against the passage of Shields-Adamson, Ferris-Myers dam bills; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER: Petition of the Rockford (Ill.) Manufacturers' and Shipping Association, protesting against the proposed tax on profits above 8 per cent; to the Committee on Ways and Means.

Also, petition of John English, of Galion, Ohio, favoring the enactment of House bill 14428, to increase pensions of maimed soldiers of the Civil War; to the Committee on Invalid Pensions.

By Mr. GALLIVAN: Petition of 59 citizens of fourth district of Massachusetts, protesting against prohibition legislation; to the Committee on the Judiciary.

Also, petition of 19 citizens of fourth district of Massachusetts, protesting against prohibition legislation; to the Committee on the Judiciary.

By Mr. GANDY: Petition of the First Presbyterian Church of Lead, S. Dak., for prohibition amendment to Constitution, prohibition in the District of Columbia, prohibiting interstate shipment of intoxicating liquors and use of mails for soliciting mail orders and to carry advertisement for intoxicating liquors; to the Committee on the Judiciary.

Also, petition of First Presbyterian Church, Lead, S. Dak., for Federal censorship of motion pictures and woman-suffrage amendment; to the Committee on the Judiciary.

Also, petition of Deadwood (S. Dak.) Branch Woman's Christian Temperance Union, for Federal censorship of motion pictures and woman-suffrage amendment; to the Committee on the Judiciary.

Also, petition of 211 citizens of Lawrence County, S. Dak., for Federal censorship of motion pictures and woman-suffrage amendment; to the Committee on the Judiciary.

Also, petition of 22 citizens of Lawrence County, S. Dak., for prohibition amendment to Constitution, prohibition in the District of Columbia, prohibiting interstate shipment of intoxicating liquors, prohibiting use of mails for soliciting orders, and to carry advertisements for intoxicating liquors; to the Committee on the Judiciary.

Also, petition of 69 citizens of Lawrence County, S. Dak., adverse to Shields water-power bill; to the Committee on Interstate and Foreign Commerce.

By Mr. GARD: Memorial of the City Council of Hamilton, Ohio, protesting against the alleged food and cold-storage combination; to the Committee on the Judiciary.

By Mr. GRIEST: Petition of George N. Reynolds, Lancaster, Pa., protesting against heavy tax on income of mutual life-insurance companies as proposed by the revenue bill; to the Committee on Ways and Means.

Also, petition of 69 citizens of Lancaster County, Pa., favoring a Christian amendment to the Constitution; to the Committee on the Judiciary.

Also, petition of Columbia Church of God, Home Mission Society, and Presbyterian congregation, all of the city of Columbia, Pa., favoring the national constitutional prohibition amendment; to the Committee on the Judiciary.

Also, petition of Christian Endeavor Society of the Methodist Church of Millersville, Pa., favoring the national constitutional prohibition amendment; to the Committee on the Judiciary.

By Mr. HOLLINGSWORTH: Memorial of Local Union No. 430, United Mine Workers of America, in favor of creation of Federal food commission, to conserve food products; to the Committee on Interstate and Foreign Commerce.

Also, affidavits in support of House bill 5166, to increase pension of Dixon M. Hepburn; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: Petition of William H. Pierce, Baltimore, Md., favoring Niagara Falls water-power legislation; to the Committee on Foreign Affairs.

Also, petition of Woman's Christian Temperance Union, Baltimore, Md., favoring prohibition legislation; to the Committee on the District of Columbia.

Also, petition of Byron A. Shipley, representative of the Brotherhood of Railroad Trainmen, Baltimore, Md., protesting against House bill 19730; to the Committee on Interstate and Foreign Commerce.

Also, petition of B. Holly Smith, favoring the migratory bird treaty bill; to the Committee on Foreign Affairs.

Also, petition of Mann & Co., patent attorneys, Baltimore, Md., protesting against legislation excluding liquor advertisements from the mails; to the Committee on the Post Office and Post Roads.

Also, petition of Robert H. Jenkins and John Howland, favoring the migratory bird treaty bill; to the Committee on Foreign Affairs.

By Mr. MANN: Petition of One hundred and nineteenth Street Commercial Club, Chicago, Ill., favoring 1-cent letter postage on local letters; to the Committee on the Post Office and Post Roads.

By Mr. OLNEY: Petition of South Congregational Church, Brockton, Mass., favoring Kenyon-Sims bill, House bill 3107, and Senate bill 3253, to forbid interstate transmission of race-gambling bets; to the Committee on the Judiciary.

By Mr. ROWE: Petition of board of managers Empire State Society, Sons of the American Revolution, favoring bills for the purchase of Monticello, former home of Thomas Jefferson; to the Committee on Public Buildings and Grounds.

Also, petition of John F. McClain, New York City, favoring House bill 18542; to the Committee on Appropriations.

Also, petition of 61 citizens of Brooklyn, N. Y., protesting against prohibition legislation; to the Committee on the Judiciary.

By Mr. WATSON of Pennsylvania: Petition of sundry citizens of Doylestown, Pa., favoring the adoption of Senate joint resolution No. 1; to the Committee on the Judiciary.

By Mr. WINGO: Petition of 36 citizens of Fort Smith, Ark., favoring national woman suffrage amendment to the Constitution; to the Committee on the Judiciary.

## SENATE.

WEDNESDAY, January 31, 1917.

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we thank Thee for the high sense of moral obligation Thou hast put into us all, and for the inward monitor that responds to the divine prompting. We thank Thee that Thy law stands guard over the rights of man, so that when we act upon falsehoods it is at the peril of our happiness and prosperity. We thank Thee that Thou hast given to us every demonstration of Thy actual providence and guidance. Thou dost hold the reins of government. The nations of the earth are in Thy hands. We pray Thee to help us this day to live and act in accordance with this great divine central truth of all happiness in life. God rules over all; Thy will is law. We ask for Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

### CALLING OF THE ROLL.

Mr. SMOOT. Mr. President, I think we ought to have a quorum before beginning business. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Brady	Hardwick	Norris	Smith, S. C.
Brandegge	Hollis	O'Gorman	Smoot
Broussard	Husting	Oliver	Sterling
Bryan	James	Overman	Sutherland
Chamberlain	Johnson, S. Dak.	Page	Thomas
Chilton	Jones	Pittman	Thompson
Clapp	Kenyon	Ransdell	Tillman
Culbertson	La Follette	Reed	Townsend
Cummins	Lee, Md.	Robinson	Walsh
Curtis	Lodge	Saulsbury	Weeks
Dillingham	McCumber	Shafroth	Williams
Fernald	Martin, Va.	Sheppard	Works
Fletcher	Martine, N. J.	Smith, Ga.	
Gallinger	Myers	Smith, Md.	
Gronna	Nelson	Smith, Mich.	

Mr. CURTIS. I wish to announce that the Senator from New York [Mr. WADSWORTH] is detained from the Senate on account of illness. He is paired with the Senator from New Hampshire [Mr. HOLLIS].

Mr. MARTINE of New Jersey. I rise to announce that the Senator from Oklahoma [Mr. GORE] is detained on account of illness.

The VICE PRESIDENT. Fifty-seven Senators have answered to the roll call. There is a quorum present.

### THE COMMITTEE ON MILITARY AFFAIRS.

Mr. CHAMBERLAIN. I desire to ask permission of the Senate to hold a meeting of the Committee on Military Affairs while the Senate is in session.

The VICE PRESIDENT. Is there objection? The Chair hears none.

### EAST WASHINGTON HEIGHTS TRACTION CO.

The VICE PRESIDENT laid before the Senate the annual report of the East Washington Heights Traction Railroad Co. for the year ended December 31, 1916, which was referred to the Committee on the District of Columbia.

### SENATOR FROM NEW JERSEY.

The VICE PRESIDENT. The Chair lays before the Senate the credentials of JOSEPH S. FRELINGHUYSEN as a Senator from New Jersey for the term of six years from March 4, 1917, which will be printed in the RECORD and placed on the files.

The credentials are as follows:

### STATE OF NEW JERSEY.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, 1916, JOSEPH S. FRELINGHUYSEN was duly chosen by the qualified electors of the State of New Jersey a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1917.

Witness: His excellency our governor, Walter E. Edge, and our seal hereto affixed at Trenton this 29th day of January, in the year of our Lord 1917.

[SEAL.]

By the governor:

WALTER E. EDGE.

THOMAS F. MARTIN,  
Secretary of State.

### PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented petitions of sundry citizens of Porto Rico, praying that their native citizenship be not disposed of against their will, which were ordered to lie on the table.

Mr. OLIVER presented petitions of sundry citizens of Mercer and Lancaster Counties, in the State of Pennsylvania, praying for the enactment of legislation to found the Government of the United States on Christianity, which were referred to the Committee on the Judiciary.

He also presented a memorial of the Workers' Nonpartisan League of Blair County, Pa., remonstrating against the enactment of legislation providing for compulsory arbitration of transportation disputes, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of sundry citizens of Luzerne, Pa., remonstrating against the enactment of legislation to exclude liquor advertisements from the mails, which was ordered to lie on the table.

He also presented a petition of the Civic Club of Allegheny County, Pa., praying for the enactment of legislation to provide for the promotion of Americanization of immigrants through education, which was ordered to lie on the table.

Mr. WORKS. I have here a telegram from George I. Cochran, president of the Pacific Mutual Life Insurance Co., relating to some of the provisions in the revenue bill and calling attention to the manner in which we are doubling up taxes in this country. I should like to have it read.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The telegram was read and referred to the Committee on Finance, as follows:

LOS ANGELES, CAL., January 30, 1917.

JOHN D. WORKS, Washington, D. C.:

The Pacific Mutual Life Insurance Co., a California institution and the largest company of its kind west of the Mississippi River, pays a large annual tax to the State of California of 2 per cent on its premiums. In addition to this it pays a similar tax to each State in which it transacts business, besides many other license taxes, etc.; in addition it pays a Federal income tax of over \$18,000 a year, and this year an additional excise tax to the Federal Government of about \$2,500 on its capital stock. And it is now proposed by the new Federal income-tax bill to collect a further tax of 8 per cent on its profits, which would amount probably to about \$80,000 a year. In addition, when you remember that the profits of a life insurance company are largely savings from mortality and earnings on reserves for the benefit of its policyholders, which are returned to them, you will readily see that these so-called profits are not the kind of profits which this emergency tax is intended to reach. We submit that life insurance is already tremendously taxed, and that this additional tax is simply in excess of the limit. We ask you in the name of our policyholders, who are over a hundred thousand in number, to use your influence to exempt life and accident insurance companies from this unjust tax.

GEORGE I. COCHRAN,  
President Pacific Mutual Life Insurance Co